

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

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Our mission and our values

All the information presented in the CSR chapter of the Registration document has been collected following specific requests addressed to the functions, business lines, departments or territories of the Group, or by the use of the Group's internal management tools. It is expressly noted when the scope covered by information differs from that of the entire BNP Paribas Group.

7.1 Our mission and our values

Our sector is currently undergoing a fundamental transformation, and it has become important to reaffirm the reason for our existence, the principles that we defend and the values that determine our actions. They were developed through a collaborative process that involved not

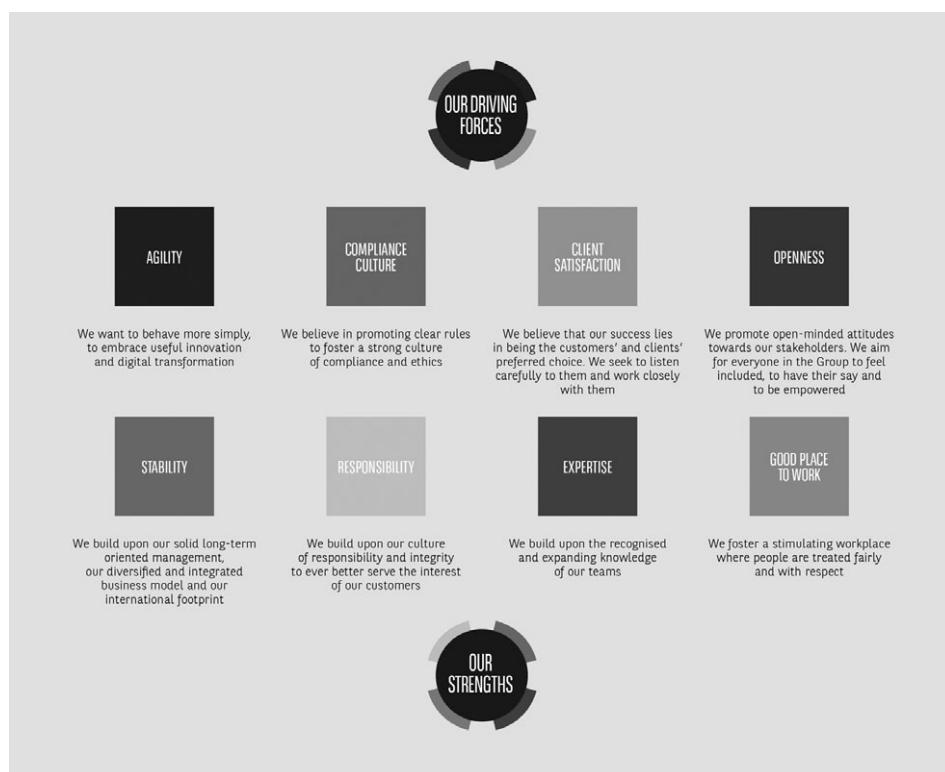
only the Group's 500 top executives, but also the 22,000 employees who wanted to participate. Our mission and our values will lead to decisions and actions that will guide the Bank through a changing world.

OUR MISSION

We want to make a positive impact on our stakeholders and on society at large. Thanks to our integrated model, our highly-engaged teams can offer our customers top quality service and solutions. We offer our colleagues a motivating and inspiring work environment.

We want to be one of the most trustworthy players in the sector, by integrating even more of our values and ethics into our day-to-day activities.

OUR VALUES, THE BNP PARIBAS WAY



OUR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY STRATEGY

Since 2012, BNP Paribas' responsibility policy has been built on four pillars, with 12 commitments. At the end of 2015, the Bank 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, using the same structure while adapting it to their specific characteristics.

BNP PARIBAS' COMMITMENTS AS A RESPONSIBLE BANK

OUR RESPONSABILITY 4 PILLARS AND 12 COMMITMENTS TOWARDS

OUR 4 PILLARS

THE ECONOMY

Financing the economy
in an ethical manner

OUR PEOPLE

Developing and engaging
our people responsibly

THE COMMUNITY

Being a positive
agent for change

THE ENVIRONMENT

Combating
climate change

OUR 12 COMMITMENTS

1

INVESTMENTS AND FINANCING
WITH A POSITIVE IMPACT

4

PROMOTION OF DIVERSITY AND
INCLUSION IN THE WORKPLACE

7

PRODUCTS AND SERVICES THAT
ARE WIDELY ACCESSIBLE

10

PARTNERING WITH OUR CLIENTS
IN THE TRANSITION TO A
LOW-CARBON ECONOMY

2

ETHICS OF THE HIGHEST
STANDARD

5

A GOOD PLACE TO WORK AND
RESPONSIBLE EMPLOYMENT
MANAGEMENT

8

COMBAT SOCIAL EXCLUSION
AND SUPPORT HUMAN RIGHTS

11

REDUCE THE ENVIRONMENTAL
IMPACT OF OUR OPERATIONS

3

SYSTEMATIC INTEGRATION
AND MANAGEMENT
OF ENVIRONMENTAL, SOCIAL
AND GOVERNANCE RISKS

6

A LEARNING COMPANY
SUPPORTING DYNAMIC
CAREER MANAGEMENT

9

CORPORATE PHILANTHROPY
POLICY FOCUSED ON THE ARTS,
SOLIDARITY AND THE ENVIRONMENT

12

ADVANCE AWARENESS
AND SHARING OF BEST
ENVIRONMENTAL PRACTICES

OUR GOVERNANCE

Governance

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

THE CSR MANAGEMENT INDICATORS

In 2013, BNP Paribas used thirteen management indicators and set a goal for each one by 2015. The Group's Executive Committee and Board of Directors review the achievement of these objectives annually. Nine of these thirteen indicators are used in calculating the deferred variable compensation of the Group's 5,000 top managers and account for 20% of the conditions for attributing this compensation.

All of these objectives were met, except for the one relating to the percentage of employees having a favourable opinion on the way the Group conducts its corporate responsibility. Progress was nevertheless made on this indicator, which is a reflection of numerous factors to which employees may be sensitive, both internal and external to the Group. The Group remains attentive to its evolution and has integrated it in the 2016-2018 CSR management indicators.

► BNP PARIBAS' CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY INDICATORS

Pillar	Indicator	2013 Value	2014 Value	2015 Value	2015 Objective
Economic Responsibility	Cumulative credit growth since 2008 compared to the cumulative growth of real GDP over the period	France 18.7% vs 6.2% Italy 14.6% vs -1.6% Bel/Lux 18.5% vs 14.1%	France 19.3% vs 7.0% Italy 12.8% vs 1.1% Bel/Lux 21.0% vs 16.7%	France 18% vs 9.5% Italy 13.1% vs 0.1% Bel/Lux 27.3% vs 20.0%	Remain above the cumulative growth of real GDP since 2008 (rate of growth of total average outstandings) OBJECTIVE MET
	Overall satisfaction scores of individual customers from the 4 Domestic Markets (on a scale from 1 to 10) ^(*)	BDDF 7.5 BNP Paribas Fortis 7.7 BNL 7.1 BGL BNP Paribas 7.4	BDDF 7.5 BNP Paribas Fortis 7.6 BNL 7.1 BGL BNP Paribas 7.2	BDDF 7.5 BNP Paribas Fortis 7.7 BNL 7.6 BGL BNP Paribas 7.2	Maintain score in the 2013-2015 period OBJECTIVE MET
	Annual growth of SRI assets under management compared to the annual growth of total assets	-5.2% vs -9.1%	+4.8% vs +4.9%	+27.9% vs +6.8%	Growth of SRI assets higher than that of total assets under management OBJECTIVE MET
Social Responsibility	Percentage of women in senior management ^(**)	22%	25%	26%	25% OBJECTIVE MET
	Percentage of employees with a positive opinion on the Group's implementation of the 4 management principles	70%	71%	73%	71% OBJECTIVE MET
	Number of mobility assignments between entities and business lines	4,580	4,787	5,157	4,700 (annual average between 2013 and 2015) OBJECTIVE MET
Civic Responsibility	Amount of Group's support to social entrepreneurship and microfinance	EUR 168 million	EUR 227 million	EUR 279 million	EUR 200 million excluding loans to social enterprises OBJECTIVE MET
	Number of people to have benefited from financial education programmes designed and/or managed by the Group	234,652	300,822	479,900	180,000 OBJECTIVE MET
	BNP Paribas Group's annual philanthropy budget	EUR 40.5 million	EUR 39.5 million	EUR 38.6 million	Average annual budget over the period 2013-2015 greater or equal to the 2012 budget (EUR 35 million) OBJECTIVE MET

(*) Satisfaction surveys conducted by independent external firms.

(**) Total of around 2,500 people.

Pillar	Indicator	2013 Value	2014 Value	2015 Value	2015 Objective
Environmental Responsibility	Number of employees trained online on sector policies	6,150 employees trained	10,476 employees trained	20,373 employees trained	12,500 employees trained OBJECTIVE MET
	GHG assessment	3.06 tCO ₂ - e/employee	2.91 tCO ₂ - e/employee	2.88 tCO ₂ - e/employee (-10.3% compared with 2012)	2.89 tCO ₂ - e/employee (-10% compared with 2012) OBJECTIVE MET
	Total paper consumption (internal and client)/employee	154 kg/employee	144 kg/employee	134 kg/employee (-18.8% compared with 2012)	140 kg/employee (-15% compared with 2012) OBJECTIVE MET
Governance and Steering	Percentage of employees having a favourable opinion on the way the Group conducts its corporate responsibility ^(*)	71%	71%	72%	73% OBJECTIVE NOT MET

(*) Composite indicator summarising four different questions in the internal Global People Survey.

In order to be in line with the Bank's new CSR strategy, the CSR management indicators, which were set to expire in 2015, have been redefined for the period 2016-2018 and the Group has taken on new quantitative commitments for this period:

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Our mission and our values

Pillar	Indicator	2015 Baseline	2018 Objective
Economic Responsibility	Share of loans to companies contributing strictly to the achievement of UN Sustainable Development Goals	15%	Maintain at least at 15%
	Percentage of employees trained on an ethics-related issue	No baseline, the action starts in 2016	More than 80% by end-2018
	Share of loans to companies subject to an environmental and social management system which is specific to the concerned activity	25%	40%
Social Responsibility	Percentage of women among the members of transversal executive committees across business lines and/or countries ^(*)	21%	23%
	Percentage of employees having at least 14 weeks of paid maternity leave and/or six days of paid paternity leave	74%	85%
	Percentage of employees reporting having been trained (any format, including e-learning) over the past 12 months	74%	90%
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)	250,000	350,000
	Percentage of employees directly contributing to the promotion of human rights who have received a dedicated training	No baseline, the action starts in 2016	80% of the target population (around 3,000 people)
	BNP Paribas Group's annual philanthropy budget	EUR 38.6 million	Average annual budget over 2016-2018 greater or equal to the 2015 budget
Environmental Responsibility	Amount of funding devoted to renewable energies	EUR 7.2 billion	EUR 15 billion in 2020
	GHG emissions	2.88 t CO ₂ /FTE	2.41 t CO ₂ /FTE in 2020
	Number of people made aware of climate change issues by BNP Paribas	70,000	140,000
Governance and Steering	Percentage of employees having a favourable opinion on the way the Group conducts its corporate responsibility and its commitments as a responsible bank ^(**)	69%	72%

(*) Out of approximately 500 Top executives.

(**) 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 (page 443).

BNP PARIBAS' PUBLIC POSITIONS

BNP Paribas' approach to corporate social responsibility (CSR) is framed by the thematic and sector-specific public positions it has adopted. These positions underpin the way in which the Group wishes to conduct its business. With a presence in 75 countries, the Group carries out its operations in full respect of universal rights and principles, as a contributor to or active member of:

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

Since 2015, BNP Paribas is also a member of the We mean Business platform and the Mainstreaming Initiative.

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

- the Equator Principles;
- the Principles for Responsible Investment;
- the Institutional Investors Group on Climate Change;
- the Soft Commodities Compact of the BEI.

In 2015, the COP21, held in France, also provided BNP Paribas with the opportunity to strengthen its actions in support of the energy transition (see *Increasing knowledge and sharing the best environmental practices*). This led to the signing of several commitments:

PROGRESS ACKNOWLEDGED BY EXTRA-FINANCIAL RATING AGENCIES

The following table shows the most recent evaluations from the extra-financial rating agencies and the integration of the BNP Paribas share in the indexes related to these ratings.

Agency	Rating (year of the last rating)	Change (year of the previous rating)	Integration into the related indexes
Vigeo	63/100 (2014)	+3 pts (2013)	NYSE Euronext Vigeo World 120, Eurozone 120, Europe 120 and France 20
RobecoSAM	82/100 (2015)	+3 pts (2014)	DJSI World – DJSI Europe
Sustainalytics	79/100 (2015)	+1 pt (2014)	the UN Global Compact 100 and STOXX Global ESG Leaders
FTSE	4.5/5 (2015)	+0.6 pt (2014)	FTSE4Good Global Index
CDP	99 A- (2015)	+4 pts (2014) Stable on the "strategy" criterion (A-)	

The progress in the Group's performance has also been highlighted in the media:

- BNP Paribas was ranked "5th most sustainable company in the CAC 40" according to the exclusive ranking of *Enjeux Les Échos*;

- the Montreal Pledge;
- the Portfolio Decarbonization Coalition;
- the French Business Climate Pledge;
- the Paris Pledge for Action;
- the Principles for Mainstreaming Climate Action within Financial Institutions;
- the Financial Institutions' Declaration of Intent on Energy Efficiency from the EBRD/UNEP Finance Initiative.

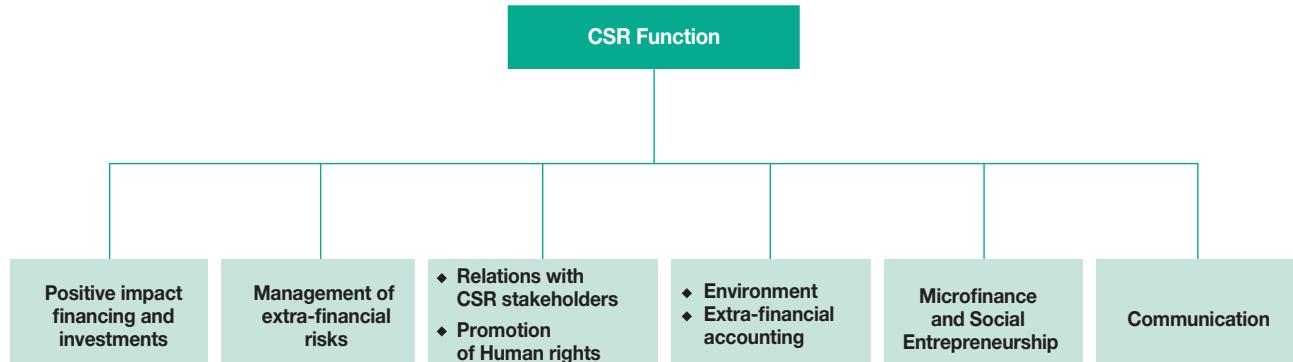
Finally, the Group also sought to formalise its voluntary commitments through:

- a Commitment to the Environment;
- Statement of BNP Paribas on Human Rights;
- a policy of combating corruption;
- a Charter for responsible representation with public authorities: this formalises the transparency and professional ethical rules to be respected. BNP Paribas is the first European bank to have adopted, as early as 2012, an internal charter providing a framework for its lobbying practices;
- the BNP Paribas Suppliers' CSR Charter;
- financing and investment policies for agriculture, palm oil, defence, nuclear energy, paper pulp, coal-fired power, mineral extraction and oil sands;
- a list of excluded goods and activities such as drift nets, the production of asbestos fibres, products containing PCBs, or the trading of any species regulated by the CITES convention without the necessary authorisation;
- monitoring and exclusion lists grouping businesses which do not respect the Group's CSR requirements.

- Simultaneously, BNP Paribas moved up significantly in the 2016 ranking of the "100 most sustainable companies" according to the Canadian trade magazine *Corporate Knights*, reaching 35th place.

CSR, TAKEN TO THE HIGHEST LEVEL IN THE ORGANISATION

Since 2012, CSR has been a function overseen by the Group's Executive Management. Since May 2015, it has been sponsored by Michel Konczaty, Group Chief Operating Officer. The assignments and responsibilities of the CSR Function are clearly defined in a directive from the Executive Management. The Head office team is structured as follows:



A network of CSR professionals works in the divisions, business lines, networks, functions and subsidiaries in order to facilitate implementation of the CSR policy in the entire Group. It meets quarterly within the Group's CSR Committee, chaired by the Head of the function. Several CSR committees have also been created in the various business lines and geographical zones.

In addition to this mechanism on the ground, BNP Paribas has put in place several initiatives in order to make sure that the CSR policy is also implemented at the highest level of the organisation. The Group's Executive Committee regularly decides on CSR themes and the Board of Directors is given a presentation on the CSR strategy at least once a year. Finally, a member of the Executive Committee is responsible for the CSR in each entity in order to ensure that CSR is integrated into the entity's strategy.

FOSTERING DIALOGUE WITH STAKEHOLDERS

Dialogue with stakeholders, which consists of listening, understanding and taking into account their expectations, is at the heart of BNP Paribas' actions to promote social and environmental responsibility. This is why the Group signed the "Guiding principles for a constructive dialogue with stakeholders" from the *Comité 22* in 2015.

In 2015, the Group also published the "Objectives and methods of the dialogue between BNP Paribas and its stakeholders" with three main points: anticipating change in our businesses and improving our products and services, optimising risk management and finding innovative solutions to make a positive impact on society. This dialogue is governed by specific policies and procedures. For each type of stakeholder, they define the dedicated interlocutors, the appropriate modes of dialogue and, if necessary, the specific remedy mechanisms.

Some examples of dialogues with stakeholders and the means put into place to facilitate the exchanges (see the note accessible via the link at the end of this chapter for more information):

- All steps to foster dialogue with **employees** or staff representatives are described in the social pillar of this document (Global People Survey, etc.). Employees may use the Company's whistleblowing system (see *The whistleblowing system*, Commitment 2).

■ **Individual customers** and **companies** of all BNP Paribas retail entities have access to a complaint procedure. For example, International Retail Banking entities receive and process customer complaints from Africa, Turkey, Eastern Europe, the United States, etc. An increasing number of entities offer their customers access to an independent ombudsman. In France, two mediators, one for individual customers and the other for business customers, have been appointed for a renewable period of three years. Neutral and independent, these ombudsmen render an opinion that is binding on the Bank in an impartial and transparent manner (see *Customer interests*, Commitment 2).

■ BNP Paribas maintains a dialogue with the **companies in which BNP Paribas Asset Management invests** and supports their CSR commitment through its voting rights policy. The objective of this dialogue is to improve the long-term performance of the Group's investments, while encouraging best practices in governance and in social and environmental responsibility. BNP Paribas Asset Management publishes its voting guidelines and reports on the previous year's voting.

■ BNP Paribas provides its **suppliers** with a redress procedure in the event of difficulties: a mediator within the Group, independent from the Purchasing function, may be called upon by any supplier, in compliance with the CSR Charter of the Group's suppliers. Seven referrals were registered in 2015, the majority in regard to payment schedules. Some of the Group's Purchasing entities organise special events to foster dialogue with their suppliers, similar to the "Suppliers Day" instituted by TEB (retail bank in Turkey). This event allows local purchasing managers to improve the quality of their relationship with suppliers and service providers, through the creation of yearly trophies (14 suppliers received an award in 2015). (See *Trusting relationships with our suppliers*, Commitment 2).

■ BNP Paribas meets with **SRI investors** several times a year to present the Group's CSR strategy and provides regular updates to extra-financial analysts. In 2015, 25 SRI investors were met at least once. A meeting was organised in June with the Chairman of the Board of Directors.

■ The Group has defined a policy and management processes for its relations with **advocacy NGOs**, in order to ensure a constructive, coordinated and productive dialogue with them. In 2015, BNP Paribas responded to 55 solicitations from advocacy NGOs and organised

several meetings. In connection with the COP21 held in France at the time, the environmental impact of the Group's financing activities (in particular in the coal sector) was one of the main discussion points. The CSR team submits its results every year to the member of the Group's Executive Management in charge of CSR.

- With regard to **regulatory organisations, governments and parliamentarians**, BNP Paribas adopted in November 2012 a "Charter for responsible representation with the public authorities". It covers a series of key commitments related to integrity, transparency and social responsibility that the Group's employees must respect as part of their dealings with public authorities. BNP Paribas is also one of the eight original signatories of the joint declaration on lobbying of member companies of Transparency International France (February 2014).

In addition, the Group organised several training sessions in responsible public representation for its staff members involved, together with Transparency International France. In total, more than 70 employees participated in these training courses. Finally, its Public

Affairs France Department developed in 2015 a website presenting its activities and commitments in regard to responsible representation (<http://economieetentreprises.bnpparibas/fr/>); the site also provides a direct link to the Group's key public positions on banking and financial regulations, which could already be found on the main website (www.bnpparibas.com).

BNP Paribas was named one of the top ten global companies having transparent and integrated lobbying practices according to a study published in October 2015 by Vigeo.

The mapping of our stakeholders and the dialogue with each of them are detailed in the document "Objectives and methods of the dialogue between BNP Paribas and its stakeholders", which is available, in addition to the materiality note, under Responsible Bank/Our Corporate Social Responsibility/Commitments on the Group's website: <http://www.bnpparibas.com/en/responsible-bank/our-corporate-social-responsibility/strategy/commitments>.

7.2 Economic responsibility: financing the economy in an ethical manner

BNP Paribas' primary mission is to meet its customers' needs, in particular by financing the projects of individual customers and businesses in an ethical manner, in order to drive economic development and create jobs. With its leading positions in financial services in the 75 countries where it operates, the Group's financing capacity and the way it conducts its business have a direct impact on the local economies. Aware of this

economic responsibility, BNP Paribas bases its actions on its three commitments:

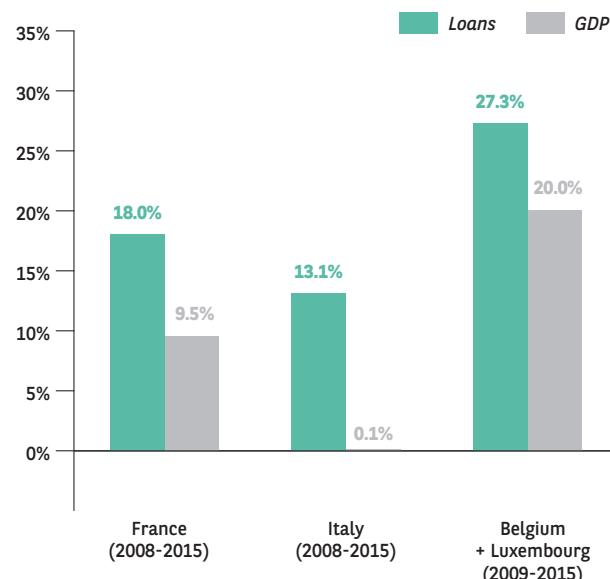
- commitment 1: investments and financing with a positive impact;
- commitment 2: ethics of the highest standard;
- commitment 3: systematic integration and management of environmental, social and governance risks.

COMMITMENT 1: INVESTMENTS AND FINANCING WITH A POSITIVE IMPACT

GROWTH IN FINANCING

Despite the lacklustre economic context, BNP Paribas has increased its lending to corporate clients and individuals in the past six years in its four **Domestic Markets**, at a rate exceeding the GDP growth in each of these countries.

► **GROWTH IN OUTSTANDING LOANS TO CORPORATE CLIENTS AND TO INDIVIDUAL CUSTOMERS COMPARED TO COUNTRY GDP GROWTH (IN REAL TERMS)**



All the changes in GDP indicated in this chart are based on information available at <http://epp.eurostat.ec.europa.eu/>.

Supporting SMEs in domestic markets

The Bank's mission is to support the development of businesses, particularly SMEs, by providing them with financial resources and strategic advice.

In 2015, in **France** its commitment to SMEs and small business clients was further strengthened by:

- a **new loan product**, the PRE CREA, of up to EUR 200,000, specifically dedicated to business creators. It is granted without a guarantee from the company's director or partners, and carries no set-up fees;
- the signing of a **partnership with BPI France** (Banque Publique d'Investissement), which will help provide VSEs and SMEs with a credit line thanks to the doubling of the guaranteed loan amount to EUR 200,000;
- an **improved wealth tax product** from Private Banking that also supports investments in SMEs. To date, almost EUR 300 million have been raised.

In **Belgium**, the BEI and BNP Paribas Fortis signed a partnership for EUR 250 million to support investments in SMEs and in mid-sized companies. In the context of this collaboration, BNP Paribas Fortis has made almost EUR 2 billion in loans available to more than 2,600 Belgian SMEs and mid-sized companies since 2009.

In **Italy**, a new version of the portal dedicated to SMEs, "Mestiere Impresa", was launched in September 2015. The portal supports the 3,000 companies already connected to the service by providing exchanges and dedicated products. In the same way, BNL provides support for the creation of businesses thanks to the governmental initiative "Fondo del microcredito" launched in May 2015. More than 500 entrepreneurs have already signed for one of these loans, which go up to EUR 25,000 and are 80% guaranteed.

Factoring is a product that allows SMEs to respond to their cash requirements. BNP Paribas is a leader in this market, with 14 million invoices processed every year. Its product offer regularly evolves to better serve both large clients and SMEs.

- Moreover, BNP Paribas SA recorded a Competitiveness and Employment Tax Credit (CICE) of EUR 36 million at 31 December 2015. This sum was allocated to the improvement of competitiveness, notably in terms of capital investment, innovation and training. To this effect, it contributed to the efforts made to optimise operating methods and to keep improving operational efficiency. In this concern, in 2015, the Group pushed ahead with its Simple & Efficient programme.

Supporting the development of large clients

BNP Paribas supports its large clients in all their needs, whether in domestic markets or in their international development. The Group's loans to large corporate clients increased to EUR 124.1 billion at the end of 2015. Similarly, as the market leader in **syndicated financing** in Europe and in euro **bonds issues**, BNP Paribas has demonstrated its capacity to serve its clients at every stage of their development.

Leader in the securities custody market, **BNP Paribas Securities Services** generated 12.6% more operations in 2015 than in 2014, making it number one in Europe and number five in the world. RBS chose BNP Paribas as the reference bank for its 900 cash management and trade finance customers outside the United Kingdom and Ireland.

Significant positive impact financing and investments or High-Value Impact Deals

In 2030, the planet will be home to 8.5 billion people, over 60% of whom will live in cities. This tremendous growth will give rise to important needs, both in terms of goods (agricultural or industrial), and infrastructures (education, health, access to energy). However, limited natural resources and the need to protect the planet call for innovative solutions.

In September 2015, the UN drafted its Sustainable Development Goals (which extend its Millennium Development Goals) to create a durable future by putting an end to poverty before 2030 while protecting the planet's environment.

These goals can only be met with the participation of everyone, and **BNP Paribas wants do its part**, by financing and supporting companies and projects having a positive impact on society and the environment. The Group has therefore identified and quantified a number of "High-Value Impact Deal" (H-VID), in order to be able to measure its contribution. This process, which is specific to BNP Paribas, defines H-VID based on the following criteria:

- their focus on an economic sector identified by international institutions and development institutions as a key sector of economic development; or
- their intrinsic characteristics: the operation, irrespective of its sector, has highly positive impacts.

Given that positive impacts can refer to environmental (management of biodiversity, water, air quality, greenhouse gasses, etc.), economic (job creation, revitalising economic development, etc.) or civic (integrating marginalised individuals, improvement of access to health care or education, etc.) aspects, the Group has included in its definition of operations with significant positive impact those that:

- contribute to a more durable economy (greener, more inclusive, more respectful of local communities, etc.);
- respect the Group's risk and profitability criteria;
- and are not related to any major controversy.

In total, 15% of the loans granted to companies by BNP Paribas in 2015 contributed directly to the achievement of one of the Sustainable Development Goals. This involves financing projects related to associations, social work, education, health care, agriculture, telecommunications, modal transport, distribution of electricity, recycling renewable energy and research.

To these are added projects and companies working toward more harmonious modes of development, or start-ups having a significant positive impact. Of the 350 start-ups having a significant positive impact in the French Retail Banking portfolio, 47% focus on the environment (energy efficiency, renewable energies, etc.), 46% work in health care, 13% have a positive impact on agriculture and 12% have a significant social impact.

Financing infrastructures

In 2015, BNP Paribas was very active in financing infrastructure projects, in particular in the area of access to water and electricity. For example, BNP Paribas has signed a contract with the Kenyan government worth EUR 306 million for the financing of the Itare dam in Kenya, the construction of a water purification plant and the installation of pipelines for transporting water. This project will provide drinking water to more than 800,000 people and is part of Kenya's strategy of directing public investments toward projects with significant economic and social impacts.

The Group has also helped finance infrastructure projects **to improve traffic in cities**, such as a bypass bridge in **Ghana**. The Group signed a facility agreement for EUR 68 million with the country's government for the construction of a new bridge at Accra by the Brazilian exporter Construtora Queiroz Galvao SA. This project was designed to significantly improve traffic around the particularly dense area around the country's capital.

BNP Paribas also helped finance several underground systems in **Turkey** (agreement signed with the Istanbul municipality for EUR 134 million for the acquisition of 126 underground carriages), in **Italy** (EUR 531.5 million in loans for a 14.2 km underground line in Milan connecting the airport with the city centre) and in **Algiers** (extension of two underground lines for a total of EUR 60 million).

Partnerships with development institutions

Partnerships with development banks and organisations allow BNP Paribas to provide tailor-made solutions to specific customers: SMEs, small farmers (Turkey and Poland), women entrepreneurs (Turkey, etc). Total partnerships with development organisations exceeded EUR 650 million in 2015.

- **In Tunisia**, the UBCI partnered in 2015 with the European Bank for Reconstruction and Development (EBRD) to provide a credit line of EUR 40 million to support micro, small and medium-sized businesses. This loan will facilitate access to long-term financing for these companies.
 - **In Turkey**, TEB expanded its cooperation in April 2015 with the EBRD by creating the first partnership dedicated to supporting women entrepreneurs. Beyond financial support through the granting of a credit line of EUR 50 million, this programme supplies technical assistance and consulting services to SMEs run by women.
 - **In Poland**, BNP Paribas Polska joined the EBRD to launch the second Polish Sustainable Energy Financing Facility (PolSEFF2) through the granting of EUR 50 million in loans.
- This programme, with a total budget of EUR 200 million, aims to support SMEs with fewer than 250 employees wishing to invest in energy efficiency or renewable energy. In addition to facilitating

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access to financing, the offer includes support in the form of technical assistance or consulting services.

- In Senegal, BICIS and the French Development Agency (AFD) renewed their guarantee agreement in order to facilitate access to loans to SMEs. This partnership, amounting to EUR 30 million, launched in 2009, is part of the ARIZ system, a risk-sharing tool intended to facilitate access to financing for these companies.
- In Mali, the BICIM signed a partnership agreement in June 2015 with the AFD to launch a programme to support SMEs. The project offers a subsidy of EUR 300,000 to strengthen certain business skills in SMEs, in particular in the area of company management and the development of a business plan. With the support of the IFC, the BICIM will develop "Business Edge™", an innovative platform of modules and methodologies for providing training in company management.

Social Entrepreneurship

By definition, social enterprises are based on a hybrid model whose objective is to achieve a significant positive social or environmental impact through a sustainable business model. The support that BNP Paribas provides specifically for this business category complies with the Group's commitment to provide financing and investments with a strong positive impact.

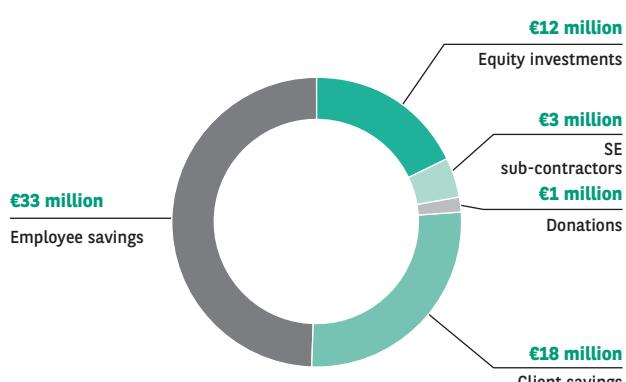
In 2015, the different specialised services for social enterprises introduced by BNP Paribas into its domestic markets (France, Italy, Belgium and Luxembourg) were fruitful.

Strong growth in funding

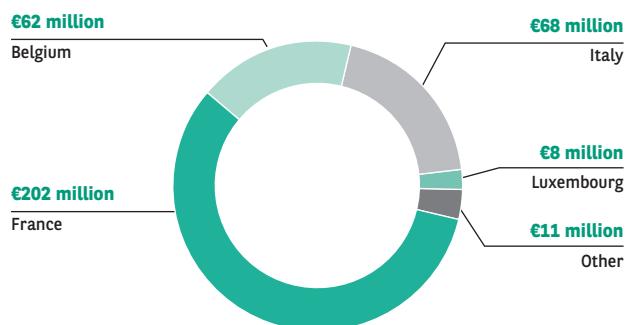
Financial support went from EUR 51 million in 2014 to EUR 66 million in 2015 for non-loan transactions and from EUR 267 to 351 million for loan transactions, amounting to a total of EUR 417 million, up 31% compared with 2014. When including microfinance into this total (a special area of social entrepreneurship – see commitment 7 for more information), the Group's total support amounts to EUR 630 million and concerns 442 customers (including 407 social enterprises).

► GROUP BNP PARIBAS SUPPORT FOR SOCIAL ENTREPRENEURSHIP AS AT 31/12/2015 – EUR 417 MILLION

► Support for SEs excluding loans – EUR 66 million



► Loans to SEs by country – EUR 351 million



The special process for social enterprises has extensively grown in the retail networks

- In France, the Group confirmed its strong position in this sector through the various measures implemented to adapt itself to its specificities and needs:
 - The BNP Paribas Social Business Impact France fund, created at the end of 2014 to support the growth of French companies with a social mission, grew significantly in 2015, reaching net assets of more than EUR 20 million. More than 78% of the fund is invested in 13 social enterprises (Le Relais, Wimoo, EHD, Foncière Habitat et Humanisme, Réseau Cogagne, SIFA, etc.). This fund facilitates the use of savings products that contain a social impact investment component, in particular employee savings funds and the FCP BNP Paribas Social Business France, intended for individual customers (see SRI, in *Measuring Impact*, Commitment 1). The fund's first Strategic Planning Committee was held in April 2015.
 - Partnerships with key players of social entrepreneurship were signed in 2015, most notably with Ashoka, the largest social entrepreneurship network in the world, to help the organisation's "fellows" strengthen their economic models, and with the competition Fermes d'Avenir/La Ruche qui dit Oui to support the social or environmental aspects of innovative agricultural initiatives.
 - The Group has strengthened its relationship with France Active:
 - French Retail Banking participated in the capital increase of France Active Garanties in the amount of EUR 731,000,
 - The BNP Paribas Foundation contributes to France Active's CAP'Jeunes programme, which provides enhanced assistance to young business creators under the age of 26, as well as a start-up bonus of EUR 2,000, in addition to supporting the management of 41 France Active regional funds throughout France.
 - In order to consolidate its territorial network in the sector, 21 new commercial correspondents trained in social entrepreneurship were appointed to complement the existing network of 50 specialists, and a guidebook in social entrepreneurship was developed to help orient social enterprises seeking funding or support within the business ecosystem and within the Group.
 - Finally, the BNP Paribas Foundation also supports IMPACT Partenaires, an asset manager with a social mission that works to strengthen its investments in businesses with a strong impact on job creation in underprivileged areas.

- In Belgium, the centralised structure dedicated to Social Enterprises (SE) put into place at BNP Paribas Fortis has helped provide a significant boost to the deployment of social entrepreneurship within the bank, through:
 - the training of 27 commercial correspondents to the specificities of the analysis of social enterprises in Flanders, Wallonia and Brussels. In order to best serve social enterprises, it is essential to integrate the specificities of regional ecosystems, and to rethink conventional analytical standards;
 - a strong presence and integration in the Belgian SE ecosystem (meeting with 80% of the best known players, organisation of two events, etc.)
- In Italy, BNL appointed 21 SE specialists throughout the territory, chosen for their expertise in the third sector, and granted two scholarships to students studying social entrepreneurship at the Catholic University of Milan.
- In Morocco, BMCI launched the SE deployment project internally; the Bank is starting to make a name for itself in the ecosystem in creation and attracting its first customers.

The design and promotion of Socially Responsible Investment (SRI) funds.

In 2015, BNP Paribas continued to develop its range of responsible products and services for retail customers and institutional investors. Its expertise is based on two complementary approaches: one focuses on committed issuers (Best in class); while the other is thematic and targets activities, products and services associated with environmental protection and/or social well-being.

29 SRI labels were awarded in 2015

- For nine funds: the Novethic SRI label (transparent SRI management process integrating ESG criteria in asset selection).
- For five funds: the Novethic Green Fund label (thematic funds invested in companies that create significant environmental benefits).
- For five funds: the Environment LuxFLAG label (strong involvement in the environment sector and a high level of transparency for investors);
- For five funds: the Finansol label (investments in the areas of social economy and microfinance).
- For five funds: the CIES (Comité Intersyndical de l'Épargne Salariale) label dedicated to employee savings plans.

These labels support BNP Paribas Investment Partners in its long-term commitment to develop and promote its range of SRI products.

► BNP PARIBAS SRI FUNDS AWARDED IN 2015

Fund name	Labels			
	Novethic label (renewed annually in September)	LuxFLAG Label (renewed annually in December)	Finansol	CIES
BNP Paribas Aqua		X	X	
BNP Paribas Etheis	X			
BNP Paribas Euro Valeurs Durables	X			
BNP Paribas L1 Equity World Aqua		X	X	
BNP Paribas Mois ISR	X			
BNP Paribas Obli État	X			
BNP Paribas Obli Etheis	X			X
BNP Paribas Retaite Horizon	X			
BNP Paribas Social Business France				X
BNP Paribas Social Business Impact France				X
Parvest Environmental Opportunities	X	X		
Parvest Global Environment	X	X		
Parvest Green Tigers	X	X	X	
Parvest Sustainable Bond Euro	X			
Parvest Sustainable Bond Euro Corporate	X			
Parvest Sustainable Equity Europe	X			
Multipar Funds			X (2 funds)	X (5 funds)

EUR 19 billion in SRI assets managed by BNP Paribas Investment Partners as at 31 December 2015.

Total SRI assets have increased by 28.4% this year, while over the same time the assets managed by BNP Paribas Investment Partners have increased by 6.8%.

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New funds offered to individual customers in 2015

Parvest SMaRT Food invests in companies in the food sector who contribute to solving critical problems, such as the need to reduce pollution, mitigate climate change or offer higher quality food products, while simultaneously respecting ethical guidelines.

Parvest Human Development invests in companies engaged in improving the living conditions of as many people as possible through responsible and durable activities focused on long-term growth. Specifically, in companies that generate at least 20% of their revenue in the following areas: the ageing of the population, access to education, access to financing, healthy food, health care, sustainable transport, sustainable urban infrastructure and recruitment.

BNP Paribas Social Business France allows investors to invest in social enterprises established in France. These companies work to combat social exclusion, search for innovative solutions in health care or environmental protection. This fund, launched in November 2014, has experienced significant success, reaching EUR 44.5 million at end-2015.

A marked increase in inflows

BNP Paribas Wealth Management implements an increasingly successful growth strategy for its SRI products: the assets invested in SRI by its clients reached EUR 6.5 billion by end-2015, equivalent to a growth of 50% per year since 2010.

BNP Paribas Fortis has been promoting SRI since 2013 and these efforts were fruitful : its assets under management have more than doubled to EUR 4.5 billion at end-2015. Thanks to this growth, BNP Paribas Fortis' SRI market share in Belgium has increased to 40%.

MEASURING IMPACT

In order to engage in the general market trend (initiated by governments accountable for the use of public funds) and to better respond to the expectations of its stakeholders (investors or savers looking for "social" investment opportunities, etc.), BNP Paribas **has decided to implement a comprehensive approach to assess impact (social, environmental, etc.)**, common to all entities engaged in transactions with positive impact.

As a first step, this means constructing an experimental methodology on a restricted segment of its customers particularly suited to the task: social enterprises (including microfinance), and measuring their social impact, defined **as the effects that social enterprises have on their beneficiaries and on society, in line with their mission**.

These social enterprises (SE) combine economic viability with the creation of social value. In order to improve collaboration and correctly value their activities, it is essential to incorporate their social impact into their global analysis.

This approach, **which serves SE clients supported by BNP Paribas**, is also intended to enrich the business relationship and provide a differentiating service to our clients, by helping them measure their impact, one of their recurring needs.

In partnership with a specialised consultant, BNP Paribas has created a qualitative and quantitative method and developed an interface to collect the relevant indicators every year. This innovative approach was designed to be flexible and progressive, improving and enriching itself through time and customer feedback, before being extended to other client segments with positive impacts.

Given the varied nature of social enterprises, both in terms of their target population and the diversity of their intervention methods, the methodology was constructed on the basis of the purpose of their services rather than the beneficiaries. The indicators were therefore defined by Social Clusters and their sub-areas.

Seven social clusters have been defined per intervention method:

	ACCESS TO EMPLOYMENT	Structures that help individuals excluded from the traditional labour market return to work, employ disabled people (French EA and ESAT) and provide professional training and mobility.
	ACCESS TO HOUSING	Structures that facilitate access to housing or emergency accommodation for people facing financial, social or family difficulties.
	ACCESS TO HEALTH AND AUTONOMY	Structure supporting the elderly, persons with disabilities or suffering from serious illnesses, either by providing direct care or by supplying technologies, products or services adapted to people with reduced autonomy.
	ACCESS TO EDUCATION AND EQUAL OPPORTUNITIES	Structures focusing on early childhood, child protection and equal opportunities.
	ACTIONS TO FIGHT AGAINST POVERTY AND SOCIAL INEQUALITY	Structures that provide assistance to individuals in precarious conditions, through donations (food, money, donations in kind, etc.) or that provide support to facilitate access to rights and services, leisure activities, etc.
	MICROFINANCE AND SUPPORT TO ENTREPRENEURSHIP	Structures, such as microfinance institutions (MFIs), incubators and crowdfunding platforms, whose social mission is to support the creation or development of businesses.
	PROTECTION OF THE ENVIRONMENT	Structures supporting eco-friendly consumption (organic products, fair trade, short distribution channels, etc.) and the protection of the environment (recycling and circular economy, responsible agriculture and protection of arable land, energy transition and the protection of biodiversity).

Initial results

An initial assessment was performed on the full scope of social enterprises in which BNP Paribas Investment Partners has invested, i.e. 16 enterprises representing EUR 43 million in outstandings (as at 30/06/2015), with the following results: <http://medias-epargne-retraite-entreprises-bnpparibas-com.is.bnpparibas-ip.com/Documents/actualites/2015/Rapport-performance-sociale-BNPP-Phileis.pdf>

	ACCESS TO EMPLOYMENT	Four financed structures operate in this social cluster: Optima, Réseau Cocagne, Le Relais France and Wimoo. Together, they generate the following impact: <ul style="list-style-type: none"> ■ 15,476 people in back-to-work programmes hired and/or coached during the year (excluding supervisors); ■ a positive outcome (<i>i.e.</i> through a long-term contract, short-term contract, subsidised contract, temp work, skills training, etc.) of 54% over the year.
	MICROFINANCE AND SUPPORT TO ENTREPRENEURSHIP	Four financed structures operate in this social cluster: SIFA, Adie, PhiTrust Partenaires and Initiative France. Together, they generate the following impact: <ul style="list-style-type: none"> ■ 13,821 projects supported or financed during the year; ■ EUR 69 million in loans or investments made during the year; ■ a three-year survival rate of supported projects and companies of 60%.
	ACCESS TO HOUSING	Three financed structures operate in this social cluster: Foncière Habitat & Humanisme, Foncière Chênelet and SNL Prologues. Together, they generate the following impact: <ul style="list-style-type: none"> ■ 7,876 people housed during the year; ■ 3,697 homes made available as at 31/12/2014.

This approach and methodology will be deployed progressively over the course of 2016 for the SE portfolio.

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Tailored advice and support

Women's entrepreneurship

In France, women entrepreneurs are still in the minority (less than 40% in 2015). Aware of the importance of access to financing in the creation of a business, the Group continues to demonstrate its commitment to women entrepreneurs. Through its "BNP Paribas Entrepreneur 2016" programme, the retail bank organised a day-long workshop that brought together 400 women entrepreneurs to exchange ideas and build their professional networks. In addition, as part of the same programme, 28,000 support contacts were established and 11,000 support solutions were offered to 10,000 customer businesses run by women. To encourage **social entrepreneurship by women**, a partnership has been signed with a business incubator: La Ruche.

At the same time, in partnership with the Women Business Mentoring Initiative, the Group's **Private Banking** division has launched its first international project in support of women entrepreneurship: a week-long meeting of 24 women entrepreneurs and nine of their associates coming from seven different countries to the Stanford Graduate School of Business. Additionally, the 6th Women Equity Ranking 2015 highlighted the 50 most successful French SMEs managed by women.

In the United States, BNP Paribas supported for the second year in a row the Women Entrepreneurship Day at the United Nations, an event that brought together more than 300 participants and was broadcast in 144 countries.

Start-ups and innovative companies

In France, the Group made a new step in its approach to supporting innovation. As part of the "Innov&Connect" programme, launched in 2014, retail banking and Atelier BNP Paribas opened two new locations dedicated to innovation, called WAI ("We Are Innovation"), in order to welcome, accelerate and introduce to one another the start-ups and the mid-sized companies supported by the Group. BNP Paribas has also created an **accelerator programme and an innovation hub dedicated to fintechs**. This innovation hub, the 15th of its kind, offers tailor-made banking solutions to start-ups and provides its expertise to 14 other innovation hubs. In these hubs, BNP Paribas offers personalised support to about 1,500 start-ups.

In Luxembourg, the Lux Future Lab has further expanded its service offering to the 26 innovative start-ups of 12 different nationalities that it hosts. This incubator has partnered with key players in Luxembourg in order to offer them an expanded range of complementary services (legal, accounting, tax, human resources, marketing, etc.).

In Belgium, support for business creators has been strengthened by the launch, in partnership with SocialCom, of Co.Station, an accelerator that helps start-ups and companies grow. A 3,000 square metre space in the centre of Brussels hosts 27 young companies and nearly 200 entrepreneurs.

COMMITMENT 2: ETHICS OF THE HIGHEST STANDARD

The respect of the most rigorous ethical standards is a prerequisite at BNP Paribas. All Group employees are required to strictly respect all laws, rules and regulations in effect, as well as all professional standards that apply to their activities. In case of conflict between the laws of a country and the ethical rules of the BNP Paribas Group, the Group's employees are required to respect local legislation while at the same time looking for ways to apply and respect internal ethical rules.

THE HIGHEST ETHICAL STANDARDS

The creation of the Ethics Committee

The Ethics Committee, whose creation had been announced in July 2014, met twice in 2015.

Chaired by Jean-Marie Guéhenno, Chairman of the International Crisis Group, it is composed of members of the Group Executive Committee: Marie-Claire Capobianco, Head of French Retail Banking, Eric Martin, Head of Compliance and Eric Raynaud, Head of the Asia-Pacific region, as well as other external independent personalities: Antoon Vandervelde, Professor of Ethics and Political Philosophy at KU Leuven, Julia Marton-Lefevre, former Chief Executive Officer of the Union Internationale pour la Conservation de la Nature (UICN) and Dr Margaret Jungk, United Nations appointed independent expert on Human rights and business, founding

Director of the Human rights and business department, Danish Institute for Human Rights.

The role of the Ethics Committee is to advise the Executive Management in order to ensure that the Bank's activities are in line with the values of BNP Paribas and with the highest standards of professionalism, integrity and ethics. It is an advisory body.

In 2015, the Ethics Committee gave its opinion on the overhaul of the Group's Code of Conduct, its financing and investment policy in the agricultural sector and strategy for the financing of the energy transition.

The whistleblowing system

BNP Paribas must meet the highest standards in regard to the compliance of its operations. To do so, every employee has certain obligations: he or she must constantly ensure that every action undertaken respects all laws, regulations and principles of the Code of Conduct for employees of the BNP Paribas Group. He or she also has the right to report ethics violations (whistleblowing), which is based on strict confidentiality and a dedicated communication channel. A "User Manual" on the subject is available on the Group's intranet.

Every employee has the right to report ethics violations without fear of punishment, dismissal or discrimination for the simple fact of having made use, in good faith, of this system.

The fight against corruption and money laundering

The Group strengthened its control system in 2014 and 2015 to fight even more effectively against economic crime, specifically fraud, corruption, money laundering and terrorist financing.

Detecting and preventing corruption are key elements of the professional ethics and compliance framework of BNP Paribas, and more generally of its internal control system.

The fight against money laundering, in particular through the procedures and controls put into place to know its clients and their use of the Group's products and services (see *A stringent management of environmental, social and governance risks*, Commitment 3), aims to ensure that client transactions are free from any form of corruption.

In the same way, BNP Paribas does not tolerate corruption among its employees, and each employee must respect the Group's policy on gifts and hospitality.

These policies apply to the entire Group and are accessible on the intranet. Their main reference is the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (and other related OECD conventions). They also take account of the laws of the United Kingdom and the United States, respectively the UK Bribery Act and the US Foreign Corrupt Practices Act.

Each business line endeavours to regularly consolidate its systems. For example, a large-scale assessment of risk of fraud was conducted in 2015 in the United Kingdom by Arval in order to measure all risks, both internal and external.

In Morocco, the BMCI received one of the ten "2015 CSR Top Performers" trophies jointly awarded by the Casablanca Stock Exchange and the extra-financial rating agency Vigeo. The award went to the ten companies with the highest CSR scores; Vigeo had rated the top 42 market capitalisations of Moroccan stock and bonds. Each of these ten companies stood out for having met certain criteria: the BMCI was rewarded in particular under the category "Formalization of the anti-corruption policy".

Training

In terms of training, major efforts continued across the entire Group, using multiple channels (online training mandatory for employees exposed to risk in this area, distribution of a manual, classroom sessions, etc.), to raise awareness among all employees involved of the importance of international financial sanctions and their main features. As an example, on 30 June 2015, 93% of the 70,930 employees concerned had received training on the financial sanctions manual, and on 31 December 2015, 93.8% of the 188,022 employees concerned had received online training on international sanctions and embargoes; In addition, 91% of the 11,456 employees concerned received online training on the French banking law and the Volcker Rule.

The location of the Group's offices is driven, not by tax considerations, but in the interest of serving customers around the world

The amount of taxes paid by the Group in France amounted to EUR 2.6 billion in 2015. Half of this amount stems from taxes that apply specifically to the banking sector, and the other half to other taxes.

From the perspective of corporate taxes only, one sees that the amount of taxes paid globally by BNP Paribas corresponds to 30.9% of its earnings. The location of the Group's offices is driven not by tax considerations, but in the interest of serving customers around the world.

In any event, BNP Paribas is careful not to set up offices in jurisdictions that do not provide effective administrative assistance in tax matters to other states or territories, and that could therefore be considered "tax havens" by international bodies or national authorities. Thus, the Group is not present in any states considered "Non-Compliant" by the OECD World Forum. In regard to BNP Paribas' presence in two jurisdictions considered by France to be insufficiently cooperative, it makes the following clarifications: in Brunei, our Group limits its activities to managing the assets of the sovereign fund and of institutional clients, excluding all activities of non-resident customers, and in Botswana, our Group owns, following an acquisition made in South Africa, an entity specialised in consumer credit.

See section 8 of the Registration document.

CLIENT INTERESTS

The "Clients' Interests Protection" policy, at the centre of the approach

To earn the trust of its clients, BNP Paribas keeps strengthening the protection of their interests, while at the same time respecting all current laws and regulations. The Global Policy on Clients' Interests Protection (CIP), published in 2013 and entitled "Selling Well", is a central part of the system, the correct application of which is constantly verified by the Internal Audit and Compliance teams.

The CIP covers all sales processes for a product, in order to ensure the complete traceability of the validation of products, their marketing materials and exchanges with clients. Employees (in particular in Front Office and Management) are continuously trained in this area. Group Compliance, tasked with monitoring the respect of laws and Internal Rules, has put into place a new organisation model in 2015 by creating the CIP field of expertise, and adding to it a team of specialists in the protection of client interests. This team now verifies the implementation, within the operational entities, of an appropriate system aiming to ensure compliance with the regulatory requirements of clients' interests protection.

The general principles of the CIP are:

- act in an honest, transparent, fair and professional manner: define the client's profile, provide him or her with appropriate information, ensure that the product is the most suitable to his or her needs;
- guarantee the primacy of the client's interest: set a reasonable and transparent remuneration for products and services, define a reward system for employees in order to prevent conflict of interest risks.

The commitments are translated into **concrete practices deployed in all Group entities**, depending on their specific characteristics.

- The new product approval procedures incorporate all the issues relating to the protection of client interests. Committees set up by the Permanent Control Department examine in particular the information and services provided to clients.
- The Group aspires to be exemplary in the protection of clients' data (see *BNP Paribas is committed to defending human rights*, Commitment 8).
- The Group also promotes dialogue with consumer organisations and other stakeholders in order to gather their opinions on further improvement and create products collaboratively (see the BNP Paribas Fortis examples in *Monitoring customer satisfaction*, Commitment 2; BNP Paribas Personal Finance in *BNP Paribas is committed to defending human rights*, Commitment 8).
- The Group's employees are trained on a large scale in respecting customer interest:
 - In the French Retail Banking network, special "Business Compliance" meetings are organised by the managers every quarter on a key issue related to Compliance. They are provided with a kit that includes important information to be aware of and to transmit. These meetings, about thirty minutes in length depending on the subject, fit easily into a sales meeting or a weekly update, as can be seen by one of the topics discussed in 2015: "The right to a bank account and providing assistance to customers at risk".

- At the Group level, expert seminars for Compliance employees concerned by CIP are offered in all entities, and awareness campaigns are conducted for the management entities & business lines ("CIP days").
- A good deal of financial information is provided, beyond that which is provided by the sales teams (see *Financial education for consumers*, Commitment 7).
- BNP Paribas has also developed special products and offers to serve and support its customers at risk, whether dependent or financially vulnerable (see *Assistance for customers at risk*, Commitment 7).

Transparency of the offer

Two additional aspects of the protection of clients' interests – the transparency of the Group's offer and clients' understanding of banking products – are more than ever at the heart of the Group's concerns, leading it to develop certain products in collaboration with their future users.

- **In Belgium**, BNP Paribas Fortis continued the "Easy Banking" programme. These financial information sessions offered to customers and potential customers are presented by employees and have been a great success: 750 sessions with more than 15,000 participants. In particular, they address security and payment methods used for online purchases, as well as the use of new technologies in banking services and home loans.
- **Cetelem** offers various forms of assistance in France to help its customers manage their budgets: a repository of sample letters (e.g. contract cancellations) on cetelem.fr; detailed information on bank overdrafts and "useful tips" on jegeremesfinsdemois.com, as well as an online magazine touslesbudgets.com, which addresses lifestyle and consumer trends by incorporating the concepts of purchasing power and budget management. In 2015, advice for customers on managing changes in circumstances, tips and information on the Group's activities and the Cetelem Foundation were added to the moncreditresponsable.com website. Cetelem's "Tour de France of consumption" was also continued. This operation, which was carried out throughout the year, takes place in the Company's employment centres (Marseille, Lyon, Lille, Strasbourg, Nantes, Île-de-France, Bordeaux). Local stakeholders (journalists, customers and employees) were invited to discuss the role Cetelem might play in supporting customers and in the management of their day-to-day budget. This customer-focused evening included three educational workshops, allowing them to: discover or rediscover what kind of money managers they are, learn how to use different financing solutions and share "tips and tricks" that can help optimise their daily expenditures.

- In France, Hello Factory (www.hellobank.fr/fr/hello-factory), a **collaborative project to create the bank of the future**, launched at the end of 2014, was continued throughout 2015. Dedicated to innovation, it encourages interaction between its customers and Hello bank!, the digital bank. Each meeting (averaging 200 participants), focusing on a particular topic (tablets, applications, etc.), becomes an opportunity to test, comment on, debate and consider new ideas collaboratively. These social occasions, rooted in the real world, promote the development of a close and unique relationship with customers, who act as co-creators of products and services that will benefit them in the future, while also providing concrete answers to their concerns. Other banking networks are also involving their customers in the creation of banking products. In Belgium in 2015, for instance, 18 co-creation sessions were organised with 166 customers focusing on products such as the New Pro Pack, the "BNP Paribas Priority" service, etc.

Monitoring customer satisfaction

Customer satisfaction is crucial for adapting the offer of products and services to demand, in order to **always serve their interests as best as possible**.

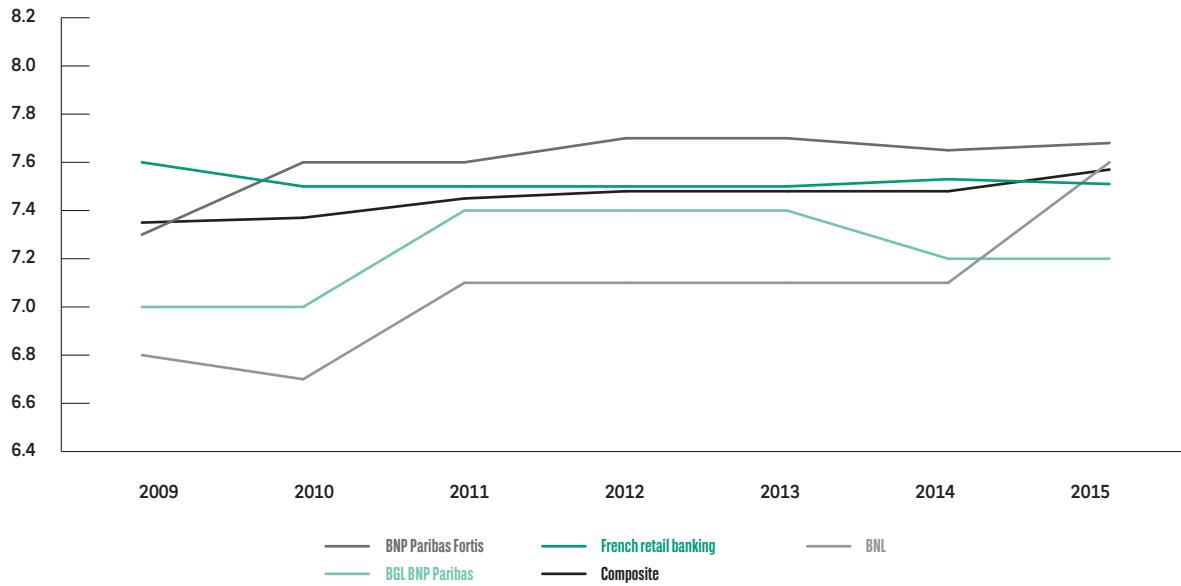
This is why most BNP Paribas business lines monitor customer satisfaction systematically, by paying particular attention to how complaints are handled and by improving the identification of customer dissatisfaction on social networks.

Moreover, the Group's Quality network met in May 2015 to reflect on the topic "Transforming customer dissatisfaction into excellence of service". Being attentive to customer dissatisfaction in order to provide the fastest and most appropriate answers is indeed a priority, as the Group Quality Policy letter makes clear. The management of customer dissatisfaction is considered by the Group not only as a **lever for improving** relations with customers, but also as a **key element for building trust and loyalty**.

The satisfaction of customers in the four domestic markets is one of the Group's CSR management indicators for the period 2013-2015. The objective was to maintain the customer satisfaction score at the same level over the period, and this objective was reached for the general score (see *Composite* in the table below).

More specifically, customer satisfaction remained practically stable in three of the four domestic markets in 2013 and 2014. In Luxembourg, customer solicitations, for the purpose of compliance with the new regulations in 2014 (particularly the automatic exchange of information), adversely influenced the level of satisfaction. In 2015, BNL noted a significant increase in its score, proportionate to the gradual improvement of the service quality of different channels (branches, online banking and telephone banking) recorded during 2014 by their customer satisfaction tracking tool.

► OVERALL SATISFACTION SCORES OF INDIVIDUALS CUSTOMERS^(*) (ON A SCALE FROM 0 TO 10)



(*) Customers who indicated that the Bank was their primary bank in the satisfaction survey conducted by independent consultant firms.

An increasing number of retail banks in the Group also measure their customer satisfaction rates, notably:

- Banque Marocaine pour le Commerce et l'Industrie (BMCI) in Morocco:
 - 2013 = 8/10;
 - 2014 = 7.6/10;
 - 2015 = 7.5/10.
- Union Bancaire pour le Commerce et l'Industrie (UBCI) in Tunisia:
 - 2013 = 7.5/10;
 - 2014 = 6.8/10;
 - 2015 = 9/10.
- For the first year, BICICI in Ivory Coast, BICIAB in Burkina Faso and BICIGUI in Guinea measured the satisfaction of their customers: 6.7/10 for the first two banks and 7.5/10 for BICIGUI in 2015.

■ **Poland:** no survey in 2015, due to the merger of BNP Paribas and BGZ; an evaluation is planned for 2016. Before the merger, the scores were 8.4/10 in 2010, 8.4 in 2013 and 8.6 in 2014.

Simultaneously, most of the Group's business lines offer customers one or more options (internet, telephone, email, etc.) to provide feedback or submit a complaint, seven days a week, 24 hours a day. This feedback is taken into account in the development of new products or in the improvement of the company's processes.

Moreover, many Group entities, such as BNP Paribas Personal Finance, retail banking networks in France and Belgium, Morocco, Tunisia, Senegal, Poland and Turkey or the Insurance division (BNP Paribas Cardif) provide access to **independent mediators** to whom customers can turn.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Economic responsibility: financing the economy in an ethical manner

BNP Paribas implements **innovative solutions** to turn its **handling of customer complaints** into a competitive advantage.

- At **Arval**, focus has been placed on accountability, on the "empowerment" of employees: any employee receiving a complaint becomes its "owner". Rules for the delegation of authority have been implemented in 19 countries, enabling faster decision-making (the validation of a supervisor is no longer necessary), increased operational efficiency and, ultimately, greater customer satisfaction.
- In **Belgium**, "continuous improvement cycles" are conducted as part of the "Proud on Quality" programme. A new formalised methodology allows solutions to be provided quickly to recurring problems in the customer relationship. The problems to be addressed are identified during a periodic selection process. A team made up of key stakeholders is brought together (advisers, customers, managers, etc.). It develops an improvement plan, which is then approved by the management within three months. The plan is implemented over the course of the next three months. Its results are measured and its success rate is calculated no later than three months after its implementation. Four cycles have been started since end-2014 to handle, for example, the sending of letters to deceased customers or to wrong addresses.
- **BNP Paribas is the first French bank to have obtained ISO 9001 certification in 2015** for its national system for handling complaints from individual customers of the retail banking network. This certification is aimed at improving customer satisfaction and engages all actors in its network in a global process of continuous improvement of its organisation and processes. Based on listening to customers and collecting their expectations, it helps turn the complaint procedure into a tool to truly pay attention to the customer.

Finally, a Head of Customer Experience was appointed in 2015, overseen by the management of the Customer Relations and Marketing Departments.

TRUSTING RELATIONSHIPS WITH OUR SUPPLIERS

Group purchases represent EUR 10 billion in expenditures globally. BNP Paribas must therefore develop equitable relations with its suppliers which are in line with its commitments. The Group has defined three key principles for its purchases: fairness and transparency in its selection of suppliers, the pursuit of the best cost/quality/risk ratio and the pursuit of innovative solutions.

As a French signatory of the Charter of Responsible Supplier Relations developed by the French Ministry of Economic and Financial Affairs' Inter-Business Mediation body, the Group has adopted the procedures and tools necessary to respect: regulations and standards, traceability in the supplier selection process and information confidentiality. The Purchasing channel monitors the risks of mutual dependence with suppliers, and offers an appeal process via an internal mediator who is independent from the Purchasing function in case of problems (see *Fostering dialogue with stakeholders, Our CSR strategy*).

Purchasers in several entities attest to their knowledge of rules of professional conduct through a signed statement (Group Purchasing, BNP Paribas Fortis, BGL Luxembourg and the CIB scope since 2015). Employees in the Purchasing channel are required to follow online training on the fight against corruption.

The Group deploys **specific initiatives to support SMEs**. In France, for example, in the context of the framework created with Pacte PME, the Purchases Group has developed an action plan to support innovative or high-performing small and medium-sized suppliers. This plan, taken up by several local Purchases teams, such as Cardif in France, is supported by French Retail Banking within the framework of different development projects that the business line deploys for SMEs. It includes improvements designed to reduce payment schedules (for example, by the implementation of centralised billing and the development of electronic billing).

These initiatives have been awarded by the Association Pacte PME, of which the Group has been a member since mid-2012, along with 60 major clients to date. The Group's action plans and the results of the Pacte PME barometer were communicated by Group Purchasing to a panel of SMEs and medium-sized business at the end of 2015.

In April 2015, the Group Purchasing team set up a **structure dedicated to Responsible Purchasing**. Bringing together various skills, it addresses all CSR issues for the Purchasing channel in France and worldwide. A network of 40 specialists in Responsible Purchasing has been created within the channel to implement the Responsible Purchasing approach.

In 2015, the Responsible Purchasing team launched the "**Best Practices Awards**" for the Purchasing channel to reward several local actions: a day of dialogue with suppliers in Turkey (see *Fostering dialogue with stakeholders, Our CSR strategy*), a call for tender for IT services incorporating one part for businesses in the protected and adapted sector, and another part for small and medium-sized companies, etc.

COMMITMENT 3: SYSTEMATIC INTEGRATION AND MANAGEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

Financing and investing in industries with multiple environmental, social and governance (ESG) issues, operating in countries whose legal and governance systems are not as developed, BNP Paribas faces a wide variety of ethical challenges that require increased vigilance when making financing and investment decisions. Proper management of ESG risks is fundamentally important because it contributes to the management of the financial risk from the Group's financing and investments.

Its framework for managing environmental, social and governance risks is part of a global risk management approach.

This approach is based on:

- the development of financing and investment policies managing the Group's activities in sectors with significant ESG issues;

- the respect of the Equator Principles for major industrial and infrastructure projects;
- the implementation of a specific ESG risk assessment framework for its products and services;
- the use of management and monitoring tools for these risks.

This framework, in place since 2010, was further strengthened in 2015.

FINANCING AND INVESTMENT POLICIES FOR THE GROUP'S ACTIVITIES IN SECTORS WITH SIGNIFICANT ESG ISSUES

BNP Paribas strengthens its carbon risk management

In order to curb the trend of CO₂ emissions by 2020, with the aim of restricting climate warming to less than 2 degrees Celsius, **BNP Paribas has decided to no longer finance coal mining**, be it in the form of mining projects or of mining companies specialising in coal extraction who do not have a diversification strategy. Financing and investment policies for the coal-fired power generation and mining sectors were updated in December 2015.

The Group has also decided to support the gradual transition of developing countries towards a less carbon-based economy. To this end, it will implement a differentiated strategy concerning the financing of coal-fired power stations: **it will no longer finance coal-fired power plants in so-called "high income" countries**, and will consider the possibility of projects in other countries. Financing will in particular depend on the possibility of adherence to the following requirements:

- the host country must have committed to limiting its greenhouse gas emissions as part of COP21;
- the project must have been subject to a consultation process involving any local population it may impact; their compensation must be reviewed if necessary, and redress mechanism must be available to them;
- the power station must be designed to minimise its greenhouse gas emissions.

In addition, only those electricity-producing companies will be financed whose strategy to reduce the share of coal in their production is at least as ambitious as that of their country.

BNP Paribas will also factor climate change considerations into its rating methodology for the projects and companies it finances: the use of internal pricing for coal will be formalised progressively, in order to take changes occasioned by the energy transition and associated financing risks into account.

Coal-fired power generation, a particularly sensitive sector

Since its policy concerning coal-fired power generation came into force in September 2011, the Group has declined to participate in the financing of thirty electricity-producing power stations worldwide, representing annual emissions of more than 183 million tonnes of CO₂ equivalent, due mainly to the application of its energy efficiency criteria. This represents

41% of annual emissions in France (2013 data) and 340 times the annual emissions of the Group (2015 data).

A new policy for the agricultural sector

The agricultural sector is one of the most important in the world in terms of employment and GDP, as well as providing a subsistence for millions of people, in both developed and developing countries. Without appropriate management, agricultural development can have numerous detrimental consequences on local communities, ecosystems and on climate change. It is nonetheless possible to address these issues by adopting a strategy for sustainable growth which relies for the most part on agricultural practice.

In order to address the agricultural sector's environmental, social and governance concerns, BNP Paribas has developed a policy framework for its finance and investment activities. **Published on 31 July 2015**, this sector policy restates the Group's commitments, most notably its commitment to "non-deforestation" and to respecting local communities potentially affected by new agricultural developments. This strengthens and extends the coverage of issues previously handled in specific policies dedicated to the palm oil and wood pulp sectors.

BNP Paribas takes into account key issues for the agricultural sector such as:

- eco-systems and biodiversity;
- water use and water pollution, greenhouse gas emissions, the use of agrochemicals;
- working conditions and Human Rights;
- health and safety in the workplace;
- land tenure and the rights of local communities;
- food security;
- sanitary standards and food traceability.

A new policy regarding financial products tied to agricultural commodity prices

BNP Paribas' concern for economic development means it prefers to invest in projects and companies that provide social or economic benefits.

Certain investment products raise concerns regarding their impact on agricultural commodity prices, and consequently on the world's most vulnerable populations.

Desiring to contribute to a stable relationship between physical and financial markets in agricultural commodities, the Group has adopted measures to ensure that its financial products do not contribute to the destabilisation of the agricultural commodities market. It commits to not offering its individual or institutional investors investment funds internal to BNP Paribas that contain exposures to agricultural commodities.

Measures to combat deforestation

In signing the 'Soft Commodities Compact' in 2014, BNP Paribas committed to working actively with the companies in the "Consumer Goods Forum" to help them achieve net zero deforestation in their supply chain by 2020.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Economic responsibility: financing the economy in an ethical manner

Defence, a particularly sensitive sector

The Group has a responsible finance and investment policy for this sector. Published in 2010, this policy strictly excludes certain types of weapons (controversial weapons) and certain geographical regions (areas affected by armed conflicts or the violation of children's rights). This policy was updated in 2012, in particular to take better account of issues related to small arms.

In 2015, the Group continued its commitment to engage with several corporate clients whose potential involvement with controversial weapons was pointed out by internationally-recognised, specialised research providers. For several years, BNP Paribas had refused, on the basis of tangible evidence, to enter into business relations with an industrial conglomerate based in Singapore because of its production of cluster munitions and anti-personnel land mines. In November 2015, in response to the requests of numerous investors and banks, including BNP Paribas, the company announced that it was terminating all involvement in these controversial weapons. This decision was an important victory for the international conventions which ban controversial weapons of this kind, as well as for the banks and investors whose policies were inspired by those conventions.

UPHOLDING THE EQUATOR PRINCIPLES ON PROJECT FINANCING

Major industrial and infrastructure projects can have negative impacts on populations and the environment. As financial service provider and advisor, BNP Paribas works in partnership with its customers to identify, evaluate and manage their risks and their environmental or social impact. BNP Paribas is guided in the process by the Equator Principles (EPs), which it has signed: a set of principles designed to ensure that financed or advised projects are developed in a responsible manner. According to these principles, the negative impacts on communities, eco-systems or the climate must be avoided, reduced, attenuated and/or compensated.

This voluntary initiative brings together 82 financial institutions worldwide.

Projects graded A present significant risks, where the implementation of attenuation measures and corrective actions is necessary; those graded B present more limited risks; those graded C present minimal or no risks.

This year, 3 transactions went to finance renewable energy projects, the installation of wind farms representing an electrical capacity of more than 500 MW.

In 2015, in addition to its attributions as a member of the EP piloting committee, BNP Paribas continued to co-pilot the "Assurance" working group, bringing together 18 banks and 3 major consulting companies. Its objective is to draft a guide to make sure that EPs are applied correctly by signatory institutions.

An online training module has also been developed and made available to all BNP Paribas employees involved in the application of the Equator Principles.

A SPECIFIC ESG RISK ASSESSMENT SYSTEM FOR PRODUCTS AND SERVICES

Integration of ESG criteria into lending and rating policies

In addition to the environmental, social and governance (ESG) criteria applicable to their own activities, the credit analysis for corporate clients includes the management of ESG risks affecting their main suppliers and sub-contractors.

Started in 2012, the effort to integrate ESG criteria into the specific credit and rating policies was continued: **at end-2015, 11 policies incorporated ESG criteria** and 4 were undergoing validation.

The assessment of ESG risks for large corporate clients

The ESG risks for large corporate clients belonging to sectors not covered by sector policies are also analysed using a dedicated tool, the "CSR Screening" of the Corporate and Institutional Banking divisions.

This allows each account manager to evaluate the most relevant non-financial risks of his or her clients. Detailed questionnaires were developed for ten sectors: consumer goods, capital assets, energy and electricity, oil, gas/chemical products, ICT, healthcare, transportation, automotive, building & building materials and metallurgy. In total, around twenty risks are assessed to reflect the challenges related to pollution and to the protection of natural resources, security and working conditions, the impact on communities, ethics and corruption.

The objective of this analysis is to engage in a dialogue with the most sensitive clients on their CSR issues, and, if necessary, to work with them to create measures to better control these risks.

	2011	2012	2013	2014	2015
Number of transactions concerned during the year	30	13	21	26	17
Number of transactions graded A during the year	5	2	3	6	1
Number of transactions graded B during the year	20	10	13	18	15
Number of transactions graded C during the year	5	1	5	2	1

Integrating ESG criteria into savings products

With the double objective of managing risk and investing responsibly, BNP Paribas Investment Partners, the Group's dedicated asset management business line, applies ESG criteria to all its collective investment funds. These criteria are analysed, as a complement to financial analysis, according to a formal framework based on the UN Global Compact's ten principles in the areas of human rights, labour, protection of the environment and the fight against corruption. In accordance with the sector policies of BNP Paribas Investment Partners, these principles are complemented by rules for investing in sensitive sectors or products. This approach leads to the initiation of a dialogue with the companies identified as not compliant with these commitments. If there is a lack of transparency or cooperation, BNP Paribas Investment Partners may abstain from approving the financial statements, or even exclude the companies from its investments.

The strategy of BNP Paribas Investment Partners aims **to align its investments with the global objective of limiting global warming to below 2°C**. This starts with the measurement and evaluation of the carbon risk of managed portfolios, and then with the reduction of this risk. As such, BNP Paribas Investment Partners:

- has committed to publishing the carbon footprint of its stock investments (signature of the PRI Montréal Carbon Pledge in May 2015). This commitment has already been followed by the publication of the carbon footprint of the 26 stock funds of the Parvest international range;
- has defined a "no coal" investment policy, applied to its SRI open funds (EUR 14 billion in assets at 31 December 2015) and has joined, with more than EUR 19 billion in carbon-free assets, the Portfolio Decarbonization Coalition, an initiative supported by the United Nations Environment Organization (UNEP), which encourages financial companies to reduce the greenhouse gas emissions linked to their investments.
- offers its clients low-carbon investment solutions. For example, BNP Paribas Investment Partners has defined a specific methodology with the French Pensions Reserve Fund (*Fonds de Réserve pour les Retraites*, or FRR) in order to reduce its carbon footprint and exposure to "stranded assets" (assets that undergo unexpected or early impairments), and to exclude the most polluting assets from the index portfolio of North American Equity. This methodology has helped reduce the portfolio's carbon footprint by more than 50%.

In 2015, in order to ensure that ESG issues were taken into account by the companies in which it invests, BNP Paribas Investment Partners **systematically exercised its shareholder voting rights** by voting in more than 1,200 General Meetings on nearly 16,200 draft resolutions; it abstained or voted against around 19% of the resolutions. As part of its climate change strategy, the voting policy was adapted and BNP Paribas Investment Partners reserves the right to abstain from approving financial statements if the company does not provide sufficient information about its CO₂ emissions. BNP Paribas Investment Partners will also support any resolution (whether proposed by the company or a shareholder) in line with its climate change policy.

In 2015, the expertise of BNP Paribas Investment Partners in regard to responsible investment and deployment of ESG integration in its management processes was recognised by the PRI ranking (Principles for Responsible Investment). In its annual evaluation report, BNP Paribas Investment Partners was rated "A+", a newly created category that was added to the five previous categories (A, B, C, D, E), giving BNP Paribas Investment Partners the highest grade possible.

BNP Paribas Cardif, the Group's insurance business line, continued its effort, adopted in 2008, to integrate ESG criteria in the selection of investments for its main euro fund, Cardif Assurance Vie (EUR 104 billion as at 31 December 2015).

ESG criteria are systematically taken into account in the investment or divestment decisions of BNP Paribas Cardif, and are an integral part of the management process. The ESG performance of the portfolio is managed on a quarterly basis and is reviewed by the Asset Management Committee once a year. In 2015, more than half of the General Fund's assets were screened through an ESG filter, compared to 49% as at 31 December 2014, according to its monitoring indicator.

BNP Paribas Investment Partners as well as BNP Paribas Real Estate Investment Management have signed the Principles for Responsible Investment (PRI).

Integration of ESG criteria into supply chain management

BNP Paribas pays special attention to the extra-financial issues of suppliers when analysing tender offers, in accordance with the BNP Paribas Suppliers' CSR Charter, and expects all suppliers to commit to respecting this Charter. In 2015, the Group made 1,470 ESG supplier assessments as part of calls for tenders.

Moreover, some entities include environmental and social clauses in the contracts signed by the Procurement teams. Within the scope of International Retail Banking, the CSR Charter must be signed when entering into a business relationship.

In 2015, the Procurement function continued its work to improve the monitoring of supplier risk, as part of the **KYS (Know Your Supplier) project** launched in late 2014. Its objective is to ensure that BNP Paribas only contracts with suppliers who respect:

- local and international regulations, in particular in the domain of financial security;
- the basic principles and values of social and environmental responsibility.

In the area of responsible procurement, this approach must allow for a better assessment of suppliers, especially in terms of Human Rights. Areas for improvement include: the generalisation of the signing of commitments by suppliers (Charter), the training of Procurement staff in Human Rights starting in 2016 and the integration of specific CSR issues into discussions for sensitive purchases.

MANAGEMENT AND MONITORING TOOLS FOR ESG RISKS

CSR monitoring and exclusion lists

The application of financing and investment policies in sectors with major environmental, social and governance impacts and the exclusion list of certain goods allows the identification of companies that do not meet the Group's requirements in terms of environmental protection or whose activities have negative social impacts. These lists are supplemented by the monitoring of key controversies involving companies in serious violation of environmental standards or Human Rights.

Companies with which the Group does not wish to carry out commercial activities are added to the exclusion list, those with which the Group does not wish to carry out certain transactions are added to the monitoring list. **At the end of 2015, these lists comprised 242 companies:** 171 excluded companies and 71 under monitoring.

Whereas no business relationship whatsoever is allowed with a company on the exclusion list, the companies on the monitoring list are subject to Group measures intended to ensure that they change their practices and reduce their ESG risks in a definitive manner.

Transactions handled by CSR teams

In 2015, the Group's CSR teams reviewed 658 transactions (financing, client acceptance, export support, etc.) compared to 481 transactions the year before.

Employees trained in financing and investment policies

Sector policies concern all the Group's employees. Since their publication in December 2012, 20,373 employees have been trained online in at least one of them. **The objective** to train 12,500 employees concerned by the application of these policies in 2015 **has thus been largely exceeded** (see *The CSR management indicators*).

Share of loans to companies subject to an ESG risk management system

In order to track the progress of the deployment of ESG risk management specific to different sectors, the Group monitors annually the share of loans to companies subject to a specific framework for the management of environmental, social and governance risks. In 2015, a based year for this key indicator of the Group's CSR performance, the share amounted to 25%.

Operational Control plan

In order to ensure that ESG risk management tools are strictly applied in all entities, the Group has deployed a **CSR operational control plan since 2015**. After determining the controls to be made by the different business lines and entities of the Group, the CSR and permanent operational control functions created the first working groups tasked with defining the organisation and implementation of the controls throughout the Group's entities. The first periodic controls are to take place in 2016. They will check that the measures put into place at every level are adequate, and will initiate a continuous improvement dynamic, necessary for the proper management of ESG risks.

7.3 Social responsibility: developing and engaging our people responsibly

Our social responsibility rests on three principles: promoting diversity and inclusion, being a good place to work and responsible employment management, and being a learning company offering dynamic career management. Together, these three proactive and ambitious purposes aim at developing and engaging our people responsibly:

- commitment 4: Promotion of diversity and inclusion in the workplace;
- commitment 5: A good place to work and responsible employment management;

- commitment 6: Learning company supporting dynamic career management.

LEADERSHIP FOR CHANGE

The year was marked by the redefining of the Group's values, followed by collective thinking on the Group's intended vision and mission. Most of this work was conducted within the framework of the "Leadership for Change" (Lfc) initiative launched to support the Group's transformation process.

One of the objectives of this initiative was to have the 500 members of the Group's transversal Executive Committees⁽¹⁾ work together on "Our Shared Convictions: our vision, our mission and our values". They have been pursuing their work in sub-groups on seven transformation topics identified during the LfC process, including cross-selling, innovation and the strategy of identifying and promoting talent.

LISTENING TO EMPLOYEES THROUGH THE GLOBAL PEOPLE SURVEY (GPS)

The rate of participation in the Group's commitment survey remained high (71%, up 19 points since 2010). In response to two open questions, in particular on change which is now well perceived, 126,889 employees across 73 countries expressed their opinions in 22 languages, with 95,000 comments given.

Employees perception of GPS topics generally improved, in particular concerning commitment, which remained strong, as pride of working for the Group was at 83% (up 2 points since 2014), adherence to the Company's objectives was up at 69% (up 2 points). Likewise, confidence in the Group's future increased 5 points to 40% in response to the statement "the situation will improve". The feeling that management is now giving clearer orientations improved 3 points at 70% and the perception of

management decisions with respect to Group values gained 3 points at 69%.

The scores linked to the four management principles improved: 73% of employees (+2 points, exceeding the target set in 2012) have a positive perception of their implementation, including 68% (+2 points) for "Client Focus", which remains one of the Group's core priorities.

The "Simple Working" dynamic is continuing to prove successful, as the response to "sufficient delegation to do good work" was up 3 points at 78% and "decision-making at the right level" gained 1 point at 67%. With a score of 67% (+4 points), innovation was perceived as increasingly encouraged in order to support transformation. The perception of digital solutions deployment as a way of boosting performance gained 3 points at 61%. However, there is still room for progress in this rapidly changing field.

To monitor the proper implementation of the approach undertaken, in particular with respect to the three areas with specific objectives, Group Human Resources compiles a social report, in which entities from 67 countries participated in 2015, representing 95% of full-time equivalent staff (FTEs) managed by the Group at 31 December 2015 (versus 44 countries and 87% of FTEs in 2014). Some indicators have increased to reflect the scope increase.

COMMITMENT 4: PROMOTION OF DIVERSITY AND INCLUSION IN THE WORKPLACE

Placing openness at the heart of our values guides our policies and actions in favour of diversity and inclusion. By guaranteeing a respect for differences, our ambition is to ensure conviviality among teams and employees and promote individual development and innovation by valuing the expression of their difference.

New objective for commitment 4: Percentage of women in transversal/multi-business and/or multi-country executive committees (out of approximately 500 top executives) in 2018: 23% (2015 baseline: 21%).

A MEASURE ENSURING GLOBAL COMMITMENT

Diversity governance: a commitment from all at all levels

The Group Diversity Committee now consists of 35 members – pairs of business line and Human Resources representatives. It is replicated at the level of the business lines, countries or regions (APAC, FRB, BNL, BNP Paribas Fortis, CIB, UK, IRB, etc.). It meets twice a year, in venues alternating between France and another European country (Italy in 2015).

Its governance has been facilitated and reinforced by the creation of a digital community on the internal social network and the launch of the BNPP_diversity Twitter account.

Strong and visible commitment of the Executive Committee

The year was marked by the highly visible commitment of the Chief Executive Officer, as he launched in May the *HeForShe*⁽²⁾ campaign across the Group. In September, in New Delhi, BNP Paribas renewed its commitment to professional equality by sponsoring an event called "*Equality means business: WEP⁽³⁾ in practice*", organised by the UN Global Compact. In October, the Chief Executive Officer signed the *Charter of LGBT⁽⁴⁾ Commitment* from *l'Autre Cercle*⁽⁴⁾. BNP Paribas thus became France's 1st bank to commit to ensuring a non-discriminating and non-hostile work environment for all employees, irrespective of their sexual orientation.

The members of the Executive Committee also personally pledged to support major programmes. Marie-Claire Capobianco is thus among the first 50 top executives to have joined the "*Patrons, champions du changement*" (Employers champions of change) movement launched in October by Medef, focusing on the commitment to gender equality. Alain Papiasse attended the 11th Women's Forum partnered by BNP Paribas. Female employees and customers came together for exchanges on the topic of "Energizing the world".

BNP Paribas joined the "*Réseau des entreprises pour l'égalité*" (network of companies promoting equality) launched by the French Secretary of State in charge of Women's Rights.

(1) Multi-country business lines/functions or multi-business line/function countries/regions.

(2) International solidarity movement launched by the United Nations, dedicated to gender equality and calling for people's commitment.

(3) "Women's Empowerment Principles" are a set of seven principles for gender equality in the workplace drafted by the UN Women and UN Global Impact.

(4) *l'Autre Cercle* is an NGO whose main goal is to combat workplace discrimination against LGBTs (Lesbians, Gays, Bisexuals, Transexuals and Transgenders).

Employees involved in dynamic networks promote exchanges and innovation

Employee networks act as an informal information relay for diversity policies and a source of innovation. They are also places of Group-wide exchanges (among entities, countries, etc.) in connection with the professional environment. Regular exchanges between networks, facilitated by the support of senior managers, boost the dynamism of actions, policies and governance relating to diversity and inclusion. The contribution of the networks is regularly encouraged. For example, at **CIB in New York**, a lunch is held every year with the Country Head.

There are networks focused on professional equality (19 **MixCity** networks, with the latest launched in Switzerland, Spain, Germany, Canada and Japan; **Happy Men**), networks open to everyone, focused on multiculturalism and minorities (**Afrinity, All abroad** in France, **Friends of Africa** in Belgium, **Respect** in the UK, **American Indians** in Canada and **Hispanic, Asian and African Heritage** in the US), sexual orientation (**Pride** in France, the UK and the US), inter-generational exchanges (Belgium, Bank of the West in the US), parenthood (**Parentality** in the UK), disability (**Ability** in the UK), veterans and inter-religious exchanges (US).

ACTIONS, VISIBLE RESULTS AND BROADER TOPICS

Professional equality: ambitious objectives and visible results

Once again, the Group witnessed the positive impact of the actions implemented to increase diversity in targeted groups. The percentage of women in **senior management⁽¹⁾** reached 26% (35% women in the last round of promotions) with a target set at 30% for 2020. Women now account for 20% of the **G100** versus 16% in 2014 (with an average of 32% women appointed since 2011). BNP Paribas can pride itself in having achieved parity in its **Board of Directors** (including two women Directors representing employees), set at 41.7% by the Copé-Zimmermann Act.

In line with the Leadership for Change initiative, **an objective of at least 25% women in the Group's transversal/multi-business/multi-country executive committees (out of approximately 500 top executives) has been set for 2020.**

It was also decided that women should account for 50% of young emerging talents in 2016, 40% of advanced talents and 30% of top talents by 2020. These targets are consistent with the Group's mixed recruitment policy and the maturity of its policy to promote women.

Other focuses of the diversity and inclusion policies

Internationalisation and multiculturalism, a Group objective

161 nationalities are present in the Group, with SMPs⁽¹⁾ accounting for 56 nationalities; 40% of SMP are non-French. The Top 500 executives (Lfc) represent 31 nationalities and 35% of them are non-French.

In the **UK**, 50% of SMPs received training on unconscious biases linked to nationalities.

Measures in favour of minorities

In certain regions, attention is given to ethnic minorities. For example, the **BICIG (in Gabon)**, set up a recruitment policy in favour of albinos and pygmy minorities.

Promoting inter-generational exchanges

To better understand the specific needs of each generation while helping them to "work together", **BNP Paribas SA in France** took part in an "IMS-Entreprendre pour la Cité" study on the topic of generation-linked stereotypes.

In **Italy**, **BNL** launched a wide-scale survey on the expectations of senior employees and conducted an inter-generational management mentoring and digital reverse mentoring programme.

In **France**, as part of the generation agreements and commitment to senior employees, the average retirement age for employees over the age of 55 is now 60.9 years (60.7 years in 2014).

Parenthood and balance between personal and working life

BNP Paribas is continuing its actions to help employees achieve a balance between their personal and working lives, as this is a way of reinforcing their long-term commitment.

Some Group entities (Cardif, BNP Paribas Fortis) hold "**Family Days**" to enable their employees to share their work environment with their children. **Wealth Management** launched a "**Digikids**" application (creation of robots, QR code hunt, etc.).

In **France**, during the Parenthood Week set following the OPE⁽²⁾ day, conferences on video game addiction and the changing family model were organised. In Europe, **CIB** launched a collaborative site called "**The Parent's Way**" where parents can exchange advice, tips and experiences. In Italy, **BNL** organised a day event for fathers-to-be ("**Dads@Work**"). **TEB** won the IRB Diversity prize with its initiative aimed at inciting women to achieve a proper balance between their personal and working lives, while **BNP Paribas Fortis** organised "**Back to Professional Life**" lunches attended by 80 young mothers coming back to work after their maternity leaves.

(1) The Group's Senior Management Positions (SMPs) or senior management comprises employees occupying the 2,500 positions considered by the Executive Committees of all business lines/operational entities/Group functions as being the positions with the most impact on strategic businesses, functions and expertise areas.

(2) Observatoire de la Parentalité en Entreprise.

INTERNAL AND EXTERNAL RECOGNITION REASSERTED

A positive internal diversity survey

The results of the Global People Survey (GPS) are highly positive on all aspects of diversity: 67% of employees declare they have a clear vision of the actions carried out by BNP Paribas to promote diversity (+1 point) and 70% that BNP Paribas' management promotes diversity in the workplace, through respect and recognition of differences between people (+6 points, exceeding the objective set in 2012). For the first time, employees in certain countries were also asked whether the work environment was perceived as inclusive for employees in the LGBT category (71%).

Numerous external distinctions confirm dynamic policies and actions

In France, the Group's **Diversity certification** was confirmed by the Ministry of Social Affairs. The scope of certification was extended to Leasing Solutions, Arval and BNP Paribas Factor and now covers 84% of the workforce. **BNP Paribas Fortis** renewed the Diversity certification of the Brussels-Capital Region for 2015-2017.

Vinay Kapoor, the UK Head of Diversity at BNP Paribas, was named as one of the Top 50 Global **Diversity Professionals** by *The Economist*. For the second consecutive year, **Bank of the West** is among the "**Best Banking Employers**" elected by the *Hispanic Network Magazine*.

In October, BNP Paribas ranked 2nd in the "**Workplace Pride**" classification. The dynamism of the Pride network was also recognised by *The Economist* in its "**Global Diversity List**".

ONGOING AWARENESS-RAISING OF OUR EMPLOYEES AND CUSTOMERS

Training

In France and in the UK, courses on unconscious biases were held for managers. In London, all members of CIB's executive committee attended 121 coaching sessions on inclusive leadership.

CIB completed its last session of the **Women Leadership Initiative** which involved very high-level sponsors. The programme will be deployed across the Group starting in 2016.

Raising awareness

Raising employees awareness

Actions raising awareness were conducted throughout the year. In Belgium, **BNP Paribas Fortis** initiated a **Thank You** campaign as part of a mutual respect policy and living together in harmony (8,000 Thank You cards and over 7,300 compliment emails were sent).

In the autumn, **Diversity Week** provided an opportunity for countries (Belgium, Korea, the United States, France, the UK, Singapore, etc.) and subsidiaries to hold numerous events shared by thousands of employees.

Sharing awareness actions with our stakeholders and customers

BNP Paribas takes its corporate social responsibility very seriously by contributing to positive changes in the minds of its customers and stakeholders. **Wealth Management** thus joined forces with Stanford University to co-design an educational program (Women Entrepreneur Program), aimed at 30 female customers and employees across the world. The **UK** periodically organises breakfasts with recruiting firms to present to them our diversity policies. In **Asia**, a recruiting campaign was conducted to attract a diversity of profiles.



PROMOTING THE EMPLOYMENT AND INSERTION OF PEOPLE WITH DISABILITIES

This year, entities in 22 countries have signed collective agreements on disability or taken measures in favour of disabled people above legal requirements. In almost 50 countries legally authorised to record workers with disabilities and following this indicator, there were 3,237 disabled employees in 32 countries, including 176 recruited in 11 countries in 2015. This increase was essentially due to a change of scope.

► **NUMBER OF EMPLOYEES WITH DISABILITIES AND RECRUITMENTS^(*)**

	2013	2014	2015	Recruitments		
				2013	2014	2015
France (of which BNP Paribas SA)	1,350 (1,170)	1,398 (1,203)	1,497 (1,203)	53 (45)	52 (43)	57 (38)
Belgium (of which BNP Paribas Fortis)	66 (66)	69 (69)	71 (71)	1 (1)	3 (3)	0 (0)
Italy (of which BNL)	660 (520)	679 (524)	803 (649)	19 (6)	21 (2)	21 (11)
Luxembourg (of which BGL BNP Paribas)	59 (47)	53 (52)	54 (53)	0 (0)	0 (0)	0 (0)
Europe (excluding domestic markets)	720	664	685	127	65	46
Rest of the world	50	68	127	65	9	52
TOTAL	2,905	2,931	3,237	265	150	176

(*) Physical headcount taking into account 82% of Group headcount.

In France, over this last year of the second disability agreement, BNP Paribas SA carried out 38 recruitments (172 over 4 years) and 396 active employees were retained in their jobs (319 in 2014), hence 1,230 employees were supported, an increase of 24%. The employment rate for disabled employees increased constantly and now stands at 3.6% (2.8% in 2011 at the end of the previous agreement). Training and initiatives raising awareness increased on invisible disabilities, enhanced with intranet testimonials, completed by prevention sessions conducted in collaboration with the Occupational Health Service. The third agreement for the 2016-2019 period was unanimously signed by the trade unions at the end of 2015. In the subsidiaries, BNP Paribas Personnel Finance launched a disability programme involving a bus tour of France and workshops on sensory disability.

In Belgium, BNP Paribas Fortis had a film produced to raise the awareness of employees and customers on disability compensation tools. The film can be viewed on the websites of some associations on disability. In Italy, BNL focused its action on recruitment: recruiters were trained and a partnership was entered into with a specialised CV library. Bank of the West launched a major initiative in favour of disabled persons and equal opportunities, increased its recruitments from 0 to 33 in one year.

PROMOTING AND COMPLYING WITH THE INTERNATIONAL LABOUR ORGANIZATION FUNDAMENTAL CONVENTIONS ON HUMAN RIGHTS

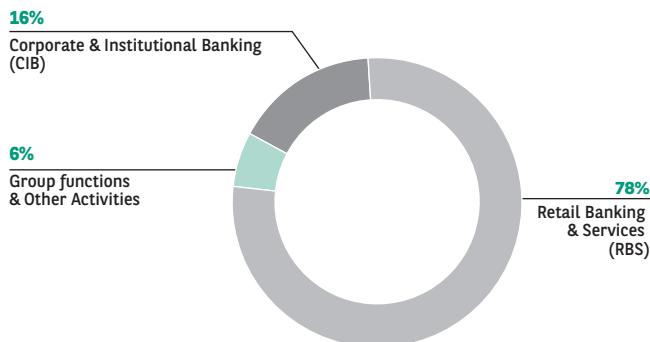
BNP Paribas carries out annual reviews of countries that are high-risk in terms of human rights⁽¹⁾. As in 2014, BNP Paribas has operations in eight countries at risk, representing 4.0% of its total workforce, and in 20 countries where there is cause for concern, representing 14.4% of its total workforce. The figures remain relatively stable (3.1% and 15.8% in 2014). Moreover, 11 employees (five in 2015), mainly in Brazil, are registered in the Group as being less than 18 years old, but more than 16 years old (for further information, see chapter 7, part 4 - Commitment 8: Combating social exclusion and promoting respect for Human Rights).

(1) Source: Maplecroft which identifies 41 countries at risk and 58 countries where there is a cause for concern (compared to 35 and 68 in 2014).

COMMITMENT 5: A GOOD PLACE TO WORK AND RESPONSIBLE EMPLOYMENT MANAGEMENT

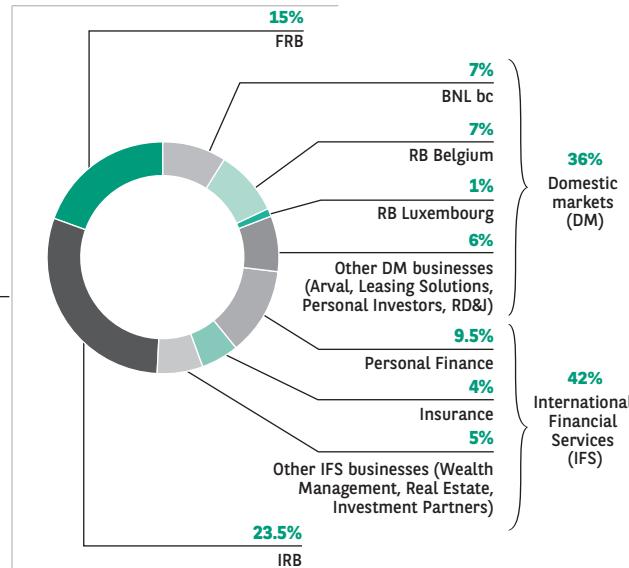
Our employees are our main asset, which we must take care of by guaranteeing a few important collective rules. Our social responsibility shows our capacity to be a good place to work for our employees by providing them with a safe work environment, protecting their health and maintaining a good balance between their personal and working lives, thereby promoting a long-term relation with the Company.

► BREAKDOWN OF THE WORKFORCE BY BUSINESS LINE

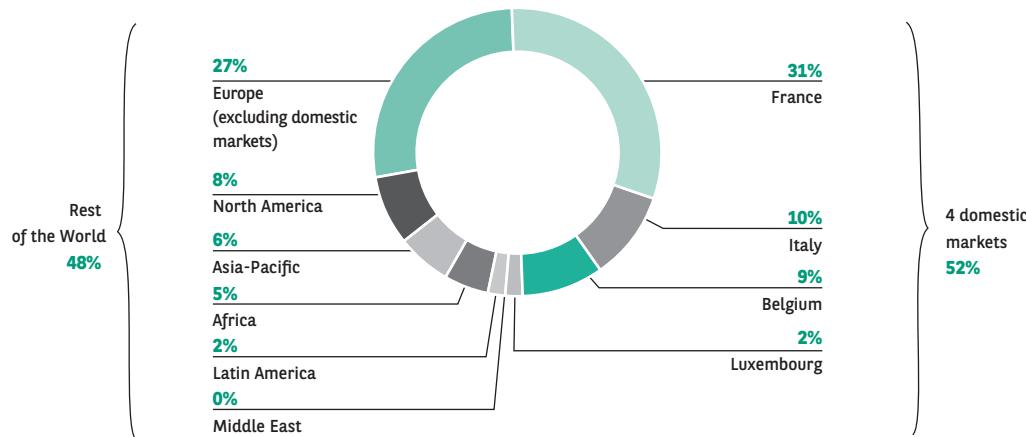


WORKFORCE EVOLUTION

At the end of 2015, the workforce managed by the Group reached 189,077 FTE (Full Time Equivalent – 181,551 FTE in the workforce for financial purposes⁽¹⁾), an increase compared to 2014 (187,903 FTE), mainly due to Arval's consolidation of GE Fleet and organic growth in North America, the Asia-Pacific region and the Compliance Function. As a reminder, the workforce managed by the Group totalled 184,545 FTE at year-end 2013.



► BREAKDOWN OF TOTAL WORKFORCE BY GEOGRAPHICAL AREA



The geographical breakdown of the workforce in 75 countries, including 50 for retail banking, remained relatively stable compared with 2014.

(1) Financial headcount: full-time equivalents (FTEs) at 31 December 2015 in wholly controlled, fully consolidated entities.

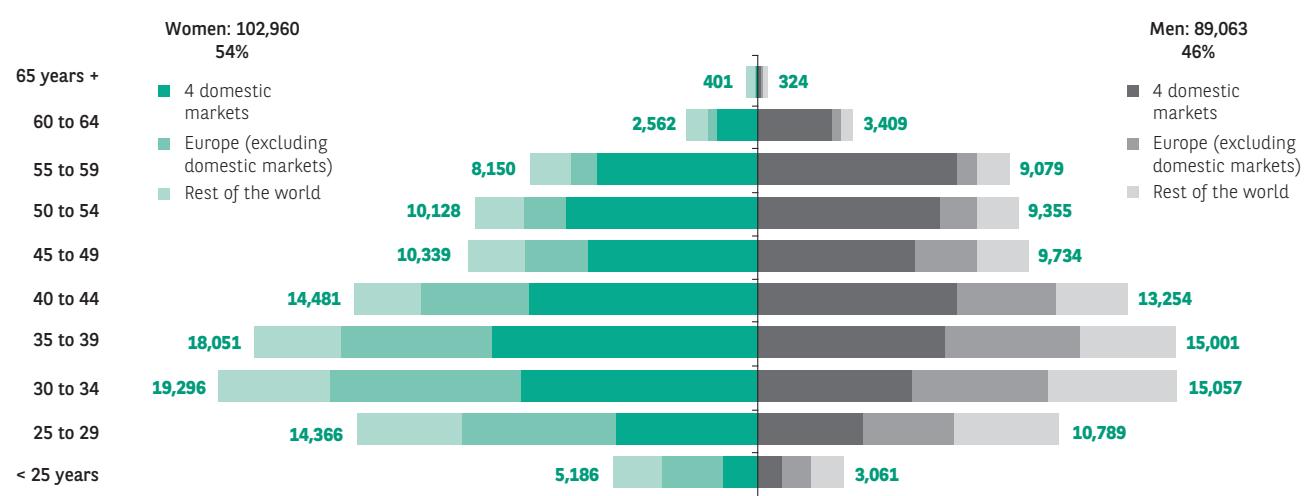
A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Social responsibility: developing and engaging our people responsibly

► CHANGE IN THE WORKFORCE OVER THE LAST TEN YEARS

	2005	2010	2015	
France	54,745	59,302	57,974	
Italy	2,602	19,126	17,993	
Belgium	478	18,345	16,360	
Luxembourg	1,105	3,942	3,646	
Europe (excluding domestic markets)	16,039	52,666	50,638	
North America	14,766	15,137	16,009	
Asia-Pacific	4,733	11,650	12,180	
Africa	5,036	9,555	9,861	
Latin America	1,545	4,323	3,834	
Middle East	868	2,233	582	
TOTAL	101,917	196,279	189,077	189,077

► BREAKDOWN OF GROUP WORKFORCE BY AGE, GENDER AND GEOGRAPHICAL AREA⁽¹⁾



(1) Physical headcount taking into account 99% of Group headcount (permanent contracts + fixed-term contracts).

The age structure is well balanced. The average age increased slightly from 40.5 to 40.6, notably in South America (to 35 years) where it is the lowest, and in Europe (40.3 years). It decreased in North America (to 42.7 years) where it is the highest. In France, the average age is 42.4 years.

The average length of service decreased slightly from 12.2 to 11.7 years, in particular in Africa (9.1 years), Europe (excluding France - 11.1 years) and France (16 years) where it is the longest. It remained stable in North America and slightly decreased in Asia-Pacific and South America. The average age of departure for employees aged 55 or over remained stable within the Group at 60.7 years.

RECRUITMENT

Worldwide, the Group hired 19,672 people (+10%) on permanent contracts, including 3,055 in France (+34%), even though the Group systematically favours internal recruitment through the promotion of mobility before external recruitment.

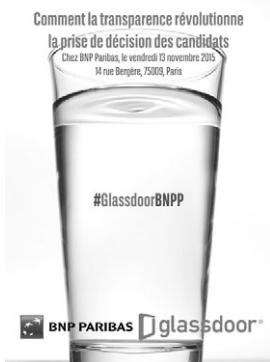
In a demanding backdrop, BNP Paribas continues to recruit while giving priority to internal mobility

With 56% of recruitments in Europe, BNP Paribas confirms its dimension as a European bank. Nevertheless, the highest recruitments are found in the United States with 21%, followed by France (16%), India (8%), Turkey (7%), and Ukraine (6%). A high employee turnover is recorded in all of these countries, except for France. The next in line are the UK (5%) and Belgium (4%). External recruitment remained high in a context where priority is still given to mobility and training.

Digital recruitment to attract applicants

In 2015, digital recruitment stepped up both externally and internally with the creation of a new community on the internal social network of digital recruiters, social media guidelines, thematic web conferences and a LinkedIn certification programme.

The Group increased its presence on social networks with over 250,000 LinkedIn subscribers, the creation of a BNP Paribas page on Glassdoor⁽¹⁾ and the hosting of France's first Glassdoor event on transparency, the creation of competitions and other interactions with applicants on Twitter (France, Italy, UK and Turkey), an Instagram challenge (BNL), an original presence on Pinterest (France, Italy) and numerous Facebook pages.



The Group continued to disseminate its employer value proposition "Let's Design Tomorrow" via various communication tools through the creation of a universal advertising campaign (Asia-Pacific, Belgium, France, Italy, Poland, etc.), the update of content on the bnpparibas.com site, the creation of a community of Group Managers' Campuses and a campus kit (tools to establish relations with schools) and major awareness-raising initiatives in-house.

Once again, BNP Paribas was awarded the **Top Employer Europe** certification, this time in seven countries: Belgium, France, Italy, Poland, Turkey, as well as Spain and Luxembourg. The Group assessed its attractiveness as an employer through a Universum survey on 11 of its markets. **BNP Paribas CIB in New York** ranked as **Best Place to Work**.



BNP Paribas also worked on improving the applicant experience by making it more accessible and connected through numerous new features: for job applications, the site has become mobile friendly, with a more intuitive and attractive registration form. The Group has started remote interviews and created a treasure hunt to validate skills (**in the UK**). It also launched selective cognitive tests online (**in France**), and participated in the "Blind Applying" programme to apply for secret internships worldwide. The first internal **HR Hackathon** brought together 25 entities in 10 countries and generated over 400 ideas to improve the applicant experience.

BNP Paribas joined the **Individual Dual Career Network** (IDCN), a network of international companies whose goal is to support employees' international mobility by facilitating their partner's job search (<http://idcn.info/>).

In France, the Group organised two major events: "**Objectif CDI**"⁽²⁾ in June and "**Job Meet Up**" in September – dedicated to the recruitment of sales staff for the branch network and online banking including Hello bank! Pre-registered applicants convened to the events, met with a recruitment officer, then a business operational, and left with an invitation to attend a second interview the following week. Nearly 80 HR staff and business operational were involved and 150 people were recruited after those two days.

Job Dating events were also organised in Paris, Lille and Orleans in April to promote meetings and exchanges between candidates and business operational, to give candidates a better insight of the Company and ensure their better understanding of the offered assignments.

(1) Glass door is a site on which employees and jobseekers anonymously post opinions on companies.

(2) Fixed-term contract.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Social responsibility: developing and engaging our people responsibly

CHANGES IN HEADCOUNTS

► CHANGES IN HEADCOUNT: NEW HIRES OF PERMANENT CONTRACTS AND GEOGRAPHICAL DISTRIBUTION⁽¹⁾

	Men	Women	Total 2014	Men	Women	Total 2015
New hires on permanent contracts	8,028	8,121	16,149	8,645	9,488	18,133
Fixed-term contracts converted into permanent contracts	595	688	1,283	654	885	1,539
TOTAL	8,623	8,809	17,432	9,299	10,373	19,672
4 Domestic Markets	52%	48%	3,244	51%	49%	4,341
Europe (excluding domestic markets)	43%	57%	6,225	42%	58%	6,217
Rest of the world	53%	47%	7,963	53%	47%	9,114
TOTAL	50%	50%	17,432	48%	52%	19,672

(1) Physical headcount.

► CHANGES IN HEADCOUNT: REASONS FOR PERMANENT EMPLOYEE DEPARTURES

	Men	Women	Total 2014	Men	Women	Total 2015
Retirement/early retirement	1,269	1,372	2,641	1,589	1,665	3,254
Resignation	4,713	5,371	10,084	4,923	5,740	10,663
Dismissals ⁽¹⁾	1,368	1,942	3,310	1,116	1,444	2,560
Mutually agreed departures and equivalent	222	250	472	353	545	898
Assisted departure plans	286	290	576	566	532	1,098
Other terminations of permanent contracts (unspecified, end of trial period, death)	873	880	1,753	817	849	1,666
TOTAL	8,731	10,105	18,836	9,364	10,775	20,139

(1) In France, the grounds for the 418 dismissals (442 in 2014) were professional failings, unsuitability and misconduct.

28% of the departures are in the domestic markets, 36% in the rest of Europe and 36% in the rest of the world.

ORGANISATION OF WORKING HOURS

► TYPE OF CONTRACT⁽¹⁾

	Men	Women	Total 2014	%	Men	Women	Total 2015	%
Number of permanent contracts	86,280	94,944	181,224	96%	87,355	94,999	182,354	96%
Number of fixed-term contracts	2,219	4,460	6,729	4%	2,392	4,330	6,723	4%
TOTAL	88,499	99,404	187,903	100%	89,748	99,330	189,077	100%

(1) Full-Time Equivalent.

► PART-TIME⁽¹⁾

	Men	Women	Total 2014	%	Men	Women	Total 2015	%
Number of part-time employees	2,074	14,381	16,455		2,187	14,728	16,915	
Of which part-time employees working 80% or more	1,391	9,824	11,215	68%	1,364	9,933	11,297	67%
% of part-time employees	3%	17%	10%		3%	16%	10%	
% of part-time employees by gender	13%	87%			13%	87%		

(1) Physical headcount taking into account 90% of Group headcount.

The part-time employees are mainly distributed in the 4 domestic markets.

QUALITY SOCIAL DIALOGUE

The Group promotes good social dialogue, gives priority to internal mobility and confirms its commitment to responsible social management.

The European Works Council

For this 4-year mandate, the European Works Council, has a secretary and deputies (two men and one woman) respectively from Luxembourg, Belgium and Spain, reflecting the Group's diversity and strong European base. At end-2015, the European Works Council covered 23 countries and 67% of the total workforce.

A first report on the European Agreement on Workforce Equality signed in 2014, which constituted the 2nd part of the European Social Charter, will be presented, along with a 2015/2014 comparison, at the Council's plenary meeting in the spring of 2016.

Negotiations have started with the work group appointed by the European Works Council, with a view to reaching an agreement on work-related stress in 2016.

A special negotiation group (SNG) was set up for the cross-border takeover of DAB Bank AG by BNP Paribas SA, to determine the modalities for employee participation within the newly formed company. Through an agreement signed in October, it was decided that the modalities for employee participation would be those applied within BNP Paribas SA.

On the European level, 2015 was an eventful year featuring presentations and discussions on the creation of a European Operational Finance Centre in Portugal, the progress of the PF-LaSer merger, and the goal and context of the "CIB for Tomorrow" project.

Worldwide

The employees of numerous entities across 44 countries, including the countries covered by the European Works Council, are protected by staff representatives and/or union representatives or engage in direct dialogue with Management, meaning that 86% of the total workforce is covered. Almost all European and African countries are represented, as well as numerous Asian and South American countries. In Germany, elections of staff representatives took place for the 1st time in Frankfurt, Berlin, Hamburg, Hanover and Stuttgart.

More than 4,441 official meetings in 44 countries were organised between these representatives and their management, enabling a total of 257 collective or sectoral agreements to be signed in 26 countries. These improvement agreements signed in 2015, or previously signed and still in force, deal most often, in decreasing order, with compensation and/or social benefits, dialogue governance, work organisation, employment, health and safety at work, as well as professional equality, inter-generational issues, diversity, inclusion, and disability. Even where legal requirements or the signature of collective agreements do not apply, around 30 Group entities in 22 countries discuss these subjects with employees or their representatives and take positive actions.

➤ NUMBER OF MEETINGS AND COLLECTIVE AGREEMENTS SIGNED

	Collective agreements			Meetings		
	2013	2014	2015	2013	2014	2015
France (of which BNP Paribas SA)	90 (7)	76 (8)	106 (13)	3,330 (2,197)	3,732 (2,493)	3,763 (2,375)
Belgium (of which BNP Paribas Fortis)	11 (7)	10 (8)	15 (12)	181 (157)	175 (160)	208 (184)
Italy (of which BNL)	46 (23)	62 (36)	57 (37)	226 (100)	195 (80)	123 (62)
Luxembourg (of which BGL BNP Paribas)	1	1	(0)	-	24 (8)	26 (10)
Europe (excluding domestic markets)	34	9	50	92	114	225
Rest of the world	29	16	27	78	92	96
TOTAL	214	174	257	3,907	4,332	4,441

Employment management

Concerning employment, BNP Paribas always favors training and mobility throughout the world. It manages employment in compliance with the agreements signed with employee representatives.

The agreements on employment management in France and at the European level (agreement signed in 2012, renewed automatically) are rigorously applied and show the commitments made:

- anticipate as much as possible and regularly inform employee representatives at the meetings or places of exchange provided, on adjustments to structures and organisation following the necessary adaptations of the Group companies;
- make every effort to avoid forced departures in the event of organisational changes with significant consequences on employment via, in particular, the use of natural turnover, mobility and voluntary departure solutions.

A COMPETITIVE COMPENSATION POLICY

Compensation and its evolution

The Group's compensation policy is founded upon principles of fairness and transparency, which are supported by a single annual compensation review for the Group. The principles on the composition of compensation and evolution of the fixed compensation are common throughout the Group and consistent with the objectives of risk management. This policy aims at discouraging excessive risk taking. Variable compensation is determined in a way that avoids incentives, which may lead to situations of conflict of interest between employees and customers or non-compliance with rules of good conduct. These principles are applicable throughout the Group. The employees are informed of these principles by the various business lines.

Variable compensation is determined according to individual and collective performance over the year, based on the objectives set. It can take different forms in the various business lines. The method used to determine individual variable compensation includes a quantitative and qualitative review of each employee's sustainable performance measured relative to the objectives set, an appraisal of each employee's professional conduct in terms of respect for the Group's core values, team spirit, compliance rules, Code of Conduct, and procedures, as well as their contribution to risk management (including operational risks). Moreover, for retention purposes in 2015, for the 3rd consecutive year, over 5,000 key employees⁽¹⁾ were awarded a medium-term incentive plan maturing in June 2018, known as **Group Sustainability and Incentive Scheme (GSIS)** of which 20% of the initial allocation is indexed to the Group's CSR performance, while the rest is indexed to the operational

performance of the Group. As part of this plan, the CSR performance is based on nine objectives representative of the four pillars of the Group's governance and CSR policy.

An indicator on the pay distribution between men and women was included in the annual compensation review process for all Group business lines and functions. Measures may also be taken locally to reduce any pay gap between men and women. In **Luxembourg**, a dedicated envelope was reserved as part of the annual process. Similarly, over several years, in **France**, BNP Paribas SA and several subsidiaries allocate specific envelopes for salary increases negotiated as part of compulsory annual negotiations, with the aim of supporting the equal opportunities policy for men and women. In 2015, the overall envelope remained stable at nearly EUR 1.9 million.

► AVERAGE YEARLY COMPENSATION⁽²⁾

	2013	2014	2015	2013/2014 var in %	2014/2015 var in%
France ⁽²⁾	€51,615	€52,018	€52,490	+0.78%	+0.91%
Belgium (BNP Paribas Fortis)	€69,920	€70,525	€70,286	+0.87%	-0.34%
Italy (BNL SpA)	€49,712	€50,600	€50,835	+1.79%	+0.46%
Luxembourg	€75,295	€77,436	€77,968	+2.84%	+0.69%

(1) Gross data for workforce with over two years seniority, excluding executive managers (G100), paid at 31/12 excluding employers' contributions, but including fixed salary, sales incentives and variable compensation paid throughout the year, excluding deferred payments, and profit-sharing plans.

(2) All entities excluding BNP Paribas Real Estate, on a 35-hour work week.

Compensation policy in line with regulatory changes

In accordance with applicable regulations, the Group's compensation policy aims to ensure coherent behaviour among employees whose professional activities have a significant impact on the Group's risk profile and long-term objectives, particularly with regard to risk management. Since 2009, the implementation of this policy resulted in formalising and reinforcing the governance based, notably on the implication of the control functions, the Executive Management and the Board of Directors' Compensation Committee. As a result, a significant fraction of the variable compensation for these employees identified as risk takers has been deferred over three years (more than 60% deferred for over a year for the 2015 allocations in respect of 2014). Part of the variable compensation is index-linked to the performance of BNP Paribas shares in order to align the interests of the beneficiaries and the shareholders (more than 50% for 2015 allocations in respect of 2014). Payment of each installation is subject to performance and behaviour conditions and failure to fulfill these conditions could lead to the partial or total loss of the annual payment (penalty system).

The Group's compensation policy is applicable to all branches and subsidiaries, including those outside of the European Union. It complies with European Directive CRD 4 of 26 June 2013 and its transposition into French law in the Monetary and Financial Code, as well as the European delegated regulation on the identification of risk-taking employees. This information on the compensation policies and practices as well

as quantitative information on employees identified under the new regulations as risk-takers for the Group for 2015 will be published in a report on the BNP Paribas internet site <http://invest.bnpparibas.com> before the Annual General Meeting on 26 May 2016.

Profit-sharing in the Group's performance

In **France**, the Group associates its employees with the Group's performance as part of profit-sharing and incentive mechanisms.

In respect of 2015 performance, a total amount of EUR 141 million for profit sharing and of EUR 112 million for incentives at BNP Paribas SA, still to be determined at Group level, will be paid to 67,790 employees, compared to EUR 99 million and EUR 161 million paid for 2014. For **BNP Paribas SA**, the incentive agreement involves three components, including a CSR target concerning paper consumption per employee, which was reached in 2015. At **BNP Paribas Fortis**, part of the variable compensation known as "collective" compensation is linked to sustainable development objectives such as customer satisfaction, diversity promotion, improvement of well-being in the workplace, risk awareness and compliance and the reduction of the Bank's negative impact on the environment. The 2015 objectives were reached, and EUR 21 million (unchanged) were paid in 2015 to more than 16,700 employees. In **Luxembourg**, the bank paid, in 2015, an incentive bonus to non-manager employees of a total of nearly EUR 4.1 million for 2014.

At end-2015, the percentage of capital held directly or indirectly by Group employees was 4.9% (5.2% at end-2014).

(1) Key employees: senior managers, high-potential employees or key local resources.

FOCUS ON PEOPLE

New objective for commitment 5: Percentage of employees with 14 weeks of paid maternity leave and/or 6 days paid paternity leave in 2018: 85% (2015 baseline: 74%).

Protecting employees' health

In addition to legislations regarding health and safety at work existing in all European countries and outside of Europe, the entities in more than fifty countries, covering 90% of the workforce, negotiated or signed improved agreements or taken positive actions.

Working conditions

In France, BNP Paribas has been testing the combination of teleworking with new flex office work spaces⁽¹⁾. Employees are associated to a concerted participative approach involving labour representatives and the occupational health service. A pilot test currently covers four sites, 600 employees, and 30 activities/business lines. It includes one day of training per person (1/2 teleworking and 1/2 flex office). An assessment will be made in the second quarter of 2016.

In Italy, BNL won the "Smart Working Award 2015"⁽²⁾ for the best flexible work projects in Italy with two additional teleworking and flex office pilots. Real Estate launched a pilot test in its **Office Lab** to experiment future offices to be offered to customers of the next generation.

Work-related accidents

Out of 56 countries reporting occupational accident data, 939 accidents occurred in 27 countries, covering 79% of the workforce. This equates to an accident frequency rate⁽³⁾ of 2.5 (compared to 2.7 for 801 accidents in 22 countries covering 70% of the workforce in 2014). The severity rate is not significant and no significant occupational illness has been identified⁽⁴⁾.

Absenteeism

The Group's absenteeism rate⁽⁵⁾ based on 45 countries is 3.5% (5.2% in 2014 for 38 countries), in addition to 2.9% of absences for maternity/paternity leave (3.9 in 2014)⁽⁶⁾.

In %	2014		2015 ^(*)	
	Absenteeism rate	Maternity/paternity	Absenteeism rate	Maternity/paternity
France	4.8	3.5	4.4	2.0
Belgium	4.3	0.7	4.1	0.8
Italy	4.6	3.6	3.4	2.1
Luxembourg	3.5	1.7	4.1	1.7
Europe (excluding domestic markets)	n. d.	n. d.	2.7	6.3
Rest of the world	n. d.	n. d.	1.3	1.0
TOTAL	5.2	3.9	3.5	2.9

(*) FTE for 78% of the Group workforce.

Health and safety conditions at work

In the UK, **BNP Paribas CIB** was the first company ever to win prizes in all 5 categories of the Employee Benefits Awards 2015: Grand Prix; Best alignment of benefits to business strategy; Best flexible benefits plan; Best healthcare and well-being benefits; and Best benefits communication (large employer category).

For the fourth consecutive year, **First Hawaiian Bank** ranked among Hawaii's "best places to work" (annual ranking by the *Hawaii Business Magazine*), in particular on the strength of its onsite health programme which is totally free of charge for all employees.

To preserve our employees' health, Group entities in 36 countries (76% of the workforce) offer and develop actions raising awareness, programmes or training generally accessible to everyone, on a variety of topics such as stress and psychosocial risks, nutrition, ergonomics, well-being and how to improve the work environment. In most countries, the Group also offers a large number of sporting events (participation in numerous races and sports challenges) and regular activities (on-site or nearby sport facilities), either free of charge or for a small fee.

Prevention of occupational risks

In 17 countries (31% of the workforce), entities assess the risks of musculoskeletal and ergonomic problems, and in 26 countries (43% of the workforce) certain tasks and workstations have been altered to create

(1) Flex Office is an office layout concept for service-sector buildings which caters for new ways of organising work and involves the set-up of shared work stations and collaborative spaces suited to employees needs

(2) Awarded by the "Smart Working" observatory of the School of Management of Politecnico di Milano.

(3) The frequency rate corresponds to the number of accidents per million hours and the severity rate, of 0.06, to the number of days lost per 1,000 hours.

(4) 1,923 lost days due to occupational illness, compared to the total number of lost days, i.e. 0.1%.

(5) The absenteeism rate includes illness, work-related accidents and occupational illness, excluding commuting and other authorised absences. For the first time, it was calculated taking into account the method used locally by each entity, weighted in relation to headcount.

(6) The maternity/paternity rate includes, where applicable, maternity, paternity and adoption leave. It is calculated taking into account the method used locally by each entity weighted according to staff.

a healthier environment. Thus, in **Canada**, CIB called on an ergonomist to help employees better organise their work space. Training sessions or manuals have been offered (**Luxembourg, Ireland, Personal Finance LaSer in the UK**) and work stations have been modified on an individual basis (**Luxembourg, Tunisia**) or for all or part of the employees (**Algeria, Belgium, Canada, Mexico, Poland and Ukraine**).

In **France**, the prevention of occupational risks policy was adapted in collaboration with our social partners. All employees benefit from medico-social follow-up, either via an internal service (19 doctors, 40 nurses and 40 social workers) extended this year to the 1,700 Bordeaux employees, or via external inter-company services.

Prevention of work-related stress

In 29 countries, 72% of employees benefited from programmes focused on psycho-social risks and work-related stress. Training programmes are thus available to managers and/or employees on psycho-social risks (**Belgium, Mexico, Switzerland**), on mental health awareness (**LaSer in the UK**, during the National Mental Health Awareness Week in May), on evaluation methods (set up at **Cetelem in Spain**, to be extended in 2016) and employee assistance (**BNL in Italy and Canada**). There are also programmes on occupational well-being (**Luxembourg**), relaxation sessions (for over 150 employees in front of the head office in **Poland**, where 500 employees downloaded instructions for relaxation exercises at work), meditation sessions (in New York) and massages (UK).

In **France**, a questionnaire from the *Observatoire Médical du Stress, de l'Anxiété et de la Dépression* (OMSAD) is offered to all employees during their periodic medical check-up, i.e. over 40,000 questionnaires on stress, anxiety and depression filled out in five years. The medico-social service provides support to employees with problems. The listening and psychological support service Care, set up at the end of 2014 with the "Capital Santé" office for all employees of BNP Paribas SA, handled 214 consultations. A burn-out prevention guide is under preparation. At **Personal Finance**, a mandatory training session was provided to all managers on the "detection of stress and burn-out".

Public health issues

In 27 countries (78% of the workforce), entities are taking part in campaigns raising awareness on health and nutrition. Thus, nine **IRB subsidiaries in Africa** (seven in 2015, two in 2016) participated in the Diabetes Africa operation in which employees were screened for diabetes and informed of its risks. A cancer screening operation "Dépistage Cancers" targets all **IRB** countries (five subsidiaries in 2015) with tests for employees over the age of 40: breast cancer for women and prostate cancer for men.

In **Poland**, over 300 employees took part in a blood test for cholesterol and sugar. A guide on nutrition and/or health is available (**Belgium, Cetelem in Brazil, Canada, Spain, Hong Kong, Luxembourg, Morocco, Netherlands, Poland, Portugal, UK, Singapore, Tunisia, Turkey**). Fruits are provided to employees (monthly fruit basket on each floor in **Belgium**, weekly fruit day in **Singapore**, organic produce baskets and evening catering service during the "Health Day" in **Germany**, free fruit on Tuesdays at **BP2S in the UK**).

In some countries, entities provide support to employees suffering from addictions (**Belgium, Canada, United States, France, Italy, Poland, UK, Tunisia**).

In **France**, the Group's Occupational Health Service continues to screen for occupational and general risk factors, including cardiovascular problems and diabetes, and carries out free flu vaccination campaigns as well as blood donor campaigns. It organised 15 prevention days (cancer, diabetes), information conferences (back pain, visual strain, smoking, addictions) and provides first-aid training. A medical newsletter ("PEP's") is offered to employees several times a year via the intranet.

Harassment and violence at work

In collaboration with the managerial teams, the Corporate Governance and Nominations Committee initiated the drafting of a new Code of Conduct for the Group, with a focus on harassment, including sexual harassment. In France, the **Internal Rules** of BNP Paribas SA, available on the intranet, were updated. They clearly reassert that harassment and violence at work will not be tolerated and refer to the "Harassment and Violence at Work" agreement signed in 2010 and renewed in 2014.

Social benefits relating to protection benefits, retirement and savings

In addition to benefits paid in accordance with legislation and Company agreements, and depending on the regulations and practices in the countries in which the Group operates, employees and their families may receive additional benefits covering healthcare costs and providing them with a high level of protection, pension plans with defined contribution (see Financial statements – Note 7 *Salaries and employee benefits*) so that they can build up capital for their retirement throughout their professional lives, in addition to any pensions paid by the local governments and any collective incentive plans linked to overall performance. In addition to the mandatory local health cover, the Group provides good social protection to its employees. For over 83%⁽¹⁾ of them, it covers part of the healthcare expenses, provides disability and/or life insurance and regularly improves local benefits.

The Group also offers flexible benefits, enabling employees to select from a range of benefits. The plan implemented by **BNL** in 2014 allows employees, on a voluntary basis, to receive part of their profit-sharing amount (40%) in the form of medical assistance, a pension plan or education and training for themselves or their family. In 2015, nearly 24% of eligible employees opted for this scheme. In **France**, the Group supports employees voluntary saving efforts with an employer's contribution to savings and retirement plans, totalling EUR 65.5 million in 2015. It offers a mandatory mutualised health plan to employees and a protection insurance system that allows each employee to adjust their level of protection according to their personal situation.

(1) Entities from 54 countries (90%) stated that they covered part of healthcare expenses of all employees; offer a life insurance in 51 countries (83%) and/or disability insurance in 44 countries (83%). Moreover, entities in 24 countries stated that they have improved their social benefits this year; on: healthcare expenses in 15 countries, life insurance in 15 countries (25%) and disability insurance in 12 countries (23%).

COMMITMENT 6: A LEARNING COMPANY SUPPORTING DYNAMIC CAREER MANAGEMENT

The will to create an environment open for our employees' development also entails our ability to create, for each of them, a variety of opportunities.

New objective for commitment 6: Percentage of employees stating that they have received training (all formats, including e-learning) over the past 12 months, with a 2018 target of 90% (2015 baseline of 74%)

CAREER MANAGEMENT

Appraisal and development of all talent

As part of its employer value proposition, BNP Paribas reasserts the importance of offering stimulating jobs and varied career paths for all.

This commitment is notably reflected in the new career management policy which reinforces the support and development culture. Indicators have been set up to monitor the implementation of the annual assessment of all Group employees or a career interview every 3 years:

- 2014/2015 worldwide SMP evaluation rate: 78% (2,187 people involved);
- Career interview rate in the four domestic markets (excluding Belgium, over the past three years or less): 62%.

Thus, at **BNP Paribas Fortis** the will to support employees in their career paths gave rise to the set-up of a **Career Corner** to improve their self-knowledge and define their own profil, and a **Career Navigator** providing employees with an overview of various career possibilities. In the **Asia-Pacific** region, the **Internal Careers** site was launched to provide employees with all the information they need to develop their career.

Emphasis was placed on digital skills and businesses through the publication of a guide identifying five different job categories, about forty businesses and three levels of expertise.

Update on the Talents programme

The development of the talent strategy is a crucial driver to adapt the Group's individual and collective leadership capabilities. The new "**Leadership for Tomorrow**" programme is one of the key drivers that will support the transformation of BNP Paribas through the identification, development and promotion of 3,000 high-potential employees who will help the organisation deal with change and ensure the successful implementation of the strategic priorities. The identification of talents for this new programme is under way with the set-up of three levels of Leadership Talents (Emerging/Advanced/Top). Nearly 260 employees were involved in a development initiative via a Group seminar or a meeting with the Executive Committee.

TRAINING POLICY

Developing skills and strengthening the employability of employees remains the priority for training

Being a "**Learning Company**" means creating an environment which enables employees to develop together and individually, and to constantly gain new skills. The Group thus pays special attention to employee training and employability through a broad and diversified offering, innovative formats, campuses and a great deal of on-site training. Training is one of the Group's assets to attract talents, retain them, and ensure their development.

The Global People Survey (GPS) reports constantly growing training results. In 2015, 74% of employees stated that they attended at least one course over the last 12 months (+3 points). The target is to reach 90% in 2018.

Forging and strengthening the Group's corporate culture

Group Campuses, training centres and academies

In France, the **Louvenciennes Campus** provided training to 34,415 people, an increase of nearly 40% in five years. Over the year, three innovative off-beat spaces were created: the Parenthesis, the Attic, and the Loft, to promote co-working, agility, innovation and exchanges among participants. At the **Singapore Campus**, for its second year of operation, the target of training 3,300 employees per year is largely surpassed, like last year, with 3,800 employees trained with 195 recurring training programmes (73 regional and 122 local).



The Group also has numerous physical and digital training centres across the world, as well as Group academies aimed at reinforcing corporate culture and managerial performance. The **Centre of Shared training for Sub-Saharan Africa** was transformed into the **BICI Academy**, with broader functions and missions: to go beyond training with the aim of developing its engineering expertise, design modules that are more closely aligned with business requirements, and support management and performance, while integrating innovation and digital technology. The **Risk Academy**, which disseminates the Group's risk management culture, and the **Management Academy**, which is primarily aimed at senior managers, are currently being restructured.

► TRAINING: TOTAL NUMBER OF HOURS AND EMPLOYEES⁽¹⁾

	2013	2014	2015
Total number of employees trained	148,875	157,083	171,360
Total number of training hours	4,697,071	4,603,606	4,684,971

(1) Source: combination of "My Learning" and "Grenelle 2" reports; Physical headcount taking into account 89% of Group headcount in 60 countries (86% in 44 countries in 2014)

89% of Group employees attended at least one training session per year (84% in 2014), with an average of 27 hours of training per employee (24 in 2014). We note a significant progression of e-learning, in particular due to the mandatory Compliance training sessions, and in the four domestic markets, an increase in the number of Risk and Compliance courses (+48%), business techniques & functions courses (+16%), and the culture and knowledge of the Group (+77%).

► TRAINING: OVERVIEW ACCORDING TO METHODS AND SUBJECTS⁽¹⁾

	Training method ⁽²⁾			Training content ⁽³⁾			
	Classroom based	E-learning	Other formats	Business techniques & functions	Risks & compliance	Group culture & awareness	Individual skills & management
France	38%	52%	10%	38%	45%	7%	9%
Belgium (BNP Paribas Fortis)	37%	61%	2%	24%	43%	17%	15%
Italy (BNL)	10%	77%	13%	50%	34%	10%	3%
Luxembourg	39%	60%	1%	33%	53%	4%	10%
Europe (excluding domestic markets)	18%	74%	8%	36%	39%	8%	8%
Rest of the world	19%	79%	2%	20%	68%	5%	5%
TOTAL	25%	67%	8%	35%	46%	8%	7%

(1) Source: My Development; Physical headcount taking into account 75% of Group headcount (permanent contracts + fixed-term contracts).

(2) % interns per method out of the total number of training sessions.

(3) % interns per subject out of the total number of training sessions. A person may attend several training sessions.

The total is less than 100% since undetermined training sessions are not included in the report.

A dynamic offer to better develop skills

The Group develops diversified and digital formats (e-learning, virtual classes, MOOCs⁽¹⁾, etc.) taking into account change in work methods and digital technology.

New diversified and digital formats

BNL systematically uses **virtual classes** for training, as well as the line set up by **Permanent Control**, which deployed a new training tool worldwide in three weeks. The internal production of e-learning modules remains strong thanks to IRB's e-factory. **Compliance** e-learning modules are thus disseminated to all Group employees. **Investment Partners** has deployed the Claritas e-learning module produced by the CFA Institute to help non-asset managers to understand the asset management industry and turn IP into a centre of excellence.

"**Blended-learning**" combines various teaching methods, including at least one classroom-based module and one e-learning module. Its use is becoming increasingly widespread, in particular for certain personal development courses in **France** (Management Fundamentals, Thought Structuring, etc.), and as part of the international certification course

produced by **Wealth Management**, which involves 15 to 20 days of training under different formats and leads to an external qualification.

A **SPOC** (Small Private Online Course) jointly launched by **FRB** and **Investment Partners** to "Understand financial markets" uses videos, games, quizzes and allows exchanges and discussions among participants via an online platform.



The year was also marked by the ongoing pooling of courses to optimise costs. For example, the launch of courses on agile methods designed by **ITG** was made available to the entire IT function.

All of these initiatives and the ongoing deployment of new formats confirm the robustness and reliability of BNP Paribas' Learning Management System (LMS) which can be extended to all employees, be divided into modules according to employee profiles and produce increasingly detailed monitoring reports.

(1) Massive Open Online Courses

154,427 Group employees, i.e. 82% (compared to 112,895 employees, 60% in 2014) attended at least one e-learning module, for a total of over 1.1 million modules completed (765,015 in 2014, +49%). They are available in eight languages. Among users, only 18% completed a single module, since 82% completed more than one module and 23% more than 10 modules (79% and 23% in 2014). The e-learning courses on Risks and Compliance are up 47% compared to 2014, those dedicated to business techniques & functions increased by 45% and those related to Group culture and awareness increased by 148%.

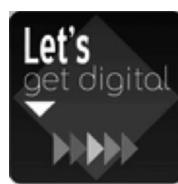
Focus on Digital Learning

Training must support the rapid development of digital technology to enable employees to gain the required skills and facility to work in a sustainable way and make the most of innovation in their activities. Numerous initiatives have been set up to disseminate a digital culture within the Group and train employees.

Training to digital use

It started with numerous managers members of Executive Committees benefiting from **reverse mentoring** and/or **learning expedition** at Arval, Cardif, Fortis, IFS, IRB, PF and RHG. Internal communication is increasingly done online through computer graphics, films, tutorials, etc. Communities have been created ("Digital Champions", "Key Users" and "Innov Angels" identified at FRB, "Digital Doctors" in Belgium, dedicated specialists to improve the digitalisation of uses), time allotted to knowledge sharing ("Digitime" at Group Human Resources, "Digidéj" at FRB).

Wealth Management and IRB created "Digidays", i.e. forums taking place over one or two days (600 participants per event) in Europe and Asia with stands manned by employees who present and explain their best digital innovations. The **Cardif Lab** and **Modu' Lab (Leasing Solutions)** were created to train employees to digital innovation and transformation.



The "Let's get digital" website was created and deployed in France for all employees. It covers the history of the Web, social media, collaborative work, business impacts for BNP Paribas, digital common sense, etc. At end-2015, it had recorded over 16,000 unique users, 140,000 views and 6,000 likes.

Diversifying the sources of employee's development

Intrapreneurship⁽¹⁾

BNP Paribas considers intrapreneurship as a diversification of the sources of innovation and an opportunity to develop employee skills. The **People's Lab** is a 12-day transversal support programme aimed at helping intrapreneur employees and their managers to transform their intuitions into projects, thereby transforming intrapreneurial energy into a source of value for our customers and for the Group. The **Tribu des Agiles** is an initiative created by an employee, fast-tracked in the People's Lab in 2015 and awarded the CIB innovation prize, to enable employees

who have developed a talent useful for the Group to express it officially through short dedicated assignments, outside their usual duties.

In Luxembourg, intrapreneurship was encouraged through a programme enabling employees to develop their business projects within the Group framework.

Skill-based support volunteering work

By enabling employees to become involved in social volunteering work with NGOs (a pilot programme is ongoing at **BNP Paribas SA in France**), BNP Paribas asserts its conviction that development can stem from a variety of sources, including external experiences. In **Belgium**, **BNP Paribas Fortis** launched a training programme on social entrepreneurship for high-potential employees. (For further information on corporate philanthropy, see chapter 7, section 4 – Commitment 9: *A corporate philanthropy policy focused on culture, solidarity and the environment*).

MOBILITY

With 5,157 transfers between entities and business lines in 2015⁽²⁾, the target of an annual average of 4,700 between 2013 and 2015 was exceeded (4,787 in 2014). In France, they progressed by 11%.

Mobility remains a major focus of human resources management practices and the Group stays mobilised to meet the high level of demand expressed by employees. The GPS showed a mobility rate of 13% (12.7% in 2014).

Offering numerous and varied opportunities to employees is one pillar of the Group's employer value proposition

Internal mobility is the most frequent means of filling vacant positions and remains one of the cornerstones of career management, to improve collective efficiency and performance, promote employees' professional development and strengthen their commitment. BNP Paribas focuses on its transversal and international aspect, to offer rich and diversified careers.

The mobility principles were defined with the aim of creating a Group dynamism, whilst respecting the specific characteristics of each country. To support their deployment and underline the importance of mobility in career management, the Group held "**Mobility days**" for the second consecutive year. In April, 30 countries (13 in 2014) organised around one hundred events aimed at promoting internal mobility. 14 mobility forums, 26 conferences and 47 workshops brought together about 300 HR staff, 600 managers and 7,200 employees, with a dedicated twitter account (#MobDays15).

With communication, an active community on mobility and an increased deployment of internal mobility tools in over 40 countries with a coverage of around 80% of the Group workforce, the number of posts published increased on average by 19% compared to 2014 and those filled internally increased by 11%.

(1) An intrapreneur is an employee who develops in-house an entrepreneurial project with the agreement and support of the Company.

(2) Based on 85.2% of Group workforce.

► **TOTAL NUMBER OF POSTS PUBLISHED AND POSTS FILLED INTERNALLY**

	2014			2015		
	Number of posts published	Posts filled internally	% posts filled/ posts published	Number of posts published	Posts filled internally	% posts filled/ posts published
France	3,960	1,918	48%	4,993	2,127	43%
Belgium (BNP Paribas Fortis)	835	472	57%	1,369	578	42%
Italy	72	35	49%	108	13	12%
Luxembourg (BGL BNP Paribas)	285	154	54%	282	171	61%
United Kingdom	896	287	32%	1,011	351	35%
Ukraine	2,185	947	43%	1,524	660	43%
Poland (BGZ BNP Paribas)	401	104	26%	1,027	347	34%
Turkey (TEB)	212	70	33%	213	56	26%
United States (BNP Paribas CIB)	555	177	32%	540	161	30%
Other countries (Algeria, Spain, Morocco, Portugal, Senegal, Switzerland, etc.)	909	223	25%	1,184	408	34%
TOTAL	10,310	4,387	43%	12,251	4,872	40%

Source: Steering center e-jobs, countries' declarations concerning Taleo and other internal mobility tools.

In France, the centralised process implemented on six global functions (Compliance, Communication, Finance, Legal, Human Resources and Risk Management) enabled the optimisation of employment management based on active mobility and more fluid **transversal mobility**. A dedicated team centralises the offers and manages them up to the preselection of candidates. The final decision is made by the business lines. The number of posts published continued to increase by 26% and the number of posts filled internally by 11%. A design thinking initiative was conducted to

improve the mobility process. With around twenty interviews and a day of participative workshops attended by sixty participants (employees, managers and HR officers). Following those measures, potential courses of action are being laid down.

In Switzerland, a weekly Resource Committee composed of Executive Committee members and HR managers was set up to encourage and optimise internal mobility and promote proactive exchanges among business lines.

7.4 Civic responsibility: being a positive agent for change

BNP Paribas is a positive agent for change in society: it initiates and participates in many initiatives to combat social exclusion and promote education and culture.

In the context of its civic responsibility, the Group uses all the available tools, as a banker, employer and philanthropist, to foster the sustainable and harmonious development of society.

These actions are in line with its three commitments:

- commitment 7: Products and services that are widely accessible;
- commitment 8: Combat social exclusion and support Human rights;
- commitment 9: Corporate philanthropy policy focused on the arts, solidarity and the environment.

COMMITMENT 7: PRODUCTS AND SERVICES THAT ARE WIDELY ACCESSIBLE

The Group aims at improving the outreach of financial products and services, since financial inclusion is an important aspect of economic development. It contributes to households' financial well-being, allowing them to set aside money for difficult times and undertake new projects. Financial inclusion is supported by a strong commitment of the Group towards financial education. Indeed, in order to use financial products and services responsibly and independently, consumers must be able to understand and compare them.

THE GROUP'S SUPPORT TO MICROFINANCE

Microfinance is a powerful lever of inclusion for people usually excluded from the traditional banking system: it allows them to start entrepreneurial micro-projects and improve their living standards. Thanks to the funding and services it offers to microfinance institutions, the Group has become a key player in this sector, alongside specialist funds and multilateral agencies.

In 2015, the Group expanded its support of microfinance: on 31 December 2015 it reached EUR 213 million, up 20.7% compared to 2014.

► GROUP BNP PARIBAS' SUPPORT TO MICROFINANCE AS AT 31 DECEMBER 2015



In 2015, lending to entities in mature economies (France, Italy, Belgium, United Kingdom, United States, ...) was behind the large increase in credit facility with EUR 72.4 million as at 31 December 2015 (+29.3% over end-2014) while emerging economies (Colombia, China, Ivory Coast, India, Morocco, Senegal, Tunisia, Vietnam, etc.) also contributed to the growth with EUR 89.3 million in credit facility as at 31 December 2015 (+20.7% over end-2014).

In **mature economies**, this support takes the form of credit lines for financing the microcredit portfolios of microfinance institutions (MFIs) that generally do not have the ability to develop savings or to finance the support of micro-borrowers.

The Group has also established close partnerships with MFIs in each of its domestic markets by investing in their capital. BNP Paribas is one of the leading banking partners of Adie (*Association pour le Droit à l'Initiative Économique*) in France, Permicro in Italy, Fair Finance in the United Kingdom, Microstart in Belgium and Microlux in Luxembourg.

In France, in 2015, the Group subscribed for EUR 1 million of quasi-equity issued by Adie. The total issue, which will help finance 24,000 people a year by 2017, is a major innovation for the association, one of the few to benefit from this instrument designed to strengthen its capital.

In Luxembourg, in partnership with ADA (*Appui au Développement Autonome*), Adie International and the European Investment Fund, BGL BNP Paribas recently **approved the creation of the country's first MFI**, MicroLux, by providing 83% of the capital. MicroLux's primary mission will be to support the initiatives of entrepreneurs excluded from the traditional banking system, as well as social enterprises in Luxembourg and the Greater Region.

In emerging economies, the Group provides support to 28 partners in 9 countries by financing a portion of the microcredit portfolios of these institutions.

BNP Paribas has indirectly participated in the financial inclusion of around 255,000 individuals in 2015 (+40% over 2014).

■ **In India**, a country with very large microfinancing needs (41% of worldwide micro-borrowers), the Bank supports growth and the strengthening of the sector currently supervised by the Reserve Bank of India. Its credit facilities thus increased in two years from EUR 6.6 to 41 million for the 13 supported institutions. In order to measure the impact of its action, the Group has conducted a social impact study with students from the French Business School HEC of one of the MFIs that received financing: Ujjivan. The study showed that starting with the first loan, 82% of households increased in their income.

■ In 2015, BNP Paribas decided to actively support **MFIs in Colombia**, where only a third of the population has bank accounts. The Group finances two microfinance institutions there, amounting to EUR 7 million. They provide simple loans inferior to 10% of GDP per inhabitant, which demonstrates that MFIs work with the poorest, predominantly to women, and offer financial education programme.

■ Finally, assistance to the sector in emerging economies is taking the form of support for structuring projects, such as the **MIMOSA project** (The Microfinance Index of Market Outreach and Saturation). This global study, conducted locally by an independent team, analyses the risks of credit saturation in microfinance markets. The initial results were presented in 2015. This tool, which aim is to anticipate over-indebtedness, will also facilitate investor decision-making processes and the orientation of financing towards countries that receive little help.

■ BNP Paribas is also involved in the Social Performance Task Force (SPTF), an international platform promoting social performance in microfinance. In this context, the Group helped design and finance ALINUS (Aligning Investors due diligence with the Universal Standards),

a common tool for social performance assessment for social investors that will allow the MFI to better report on their social performance.

ACCESS TO FINANCING AND INSURANCE

The right to a bank account

To combat banking exclusion, the French legislature has established a procedure related to the right to a bank account which is available to any natural or legal person residing in France or to any person of French nationality residing outside France who does not have a deposit account. **BNP Paribas not only fully meets its obligations**, but it goes even further by offering an Alternative Payment Range (*Gamme de Paiement Alternatif*) at no charge in order to support individuals experiencing difficulties.

Access to loans for individuals on fixed-term work contracts

Since 2011, Cetelem has offered personal loans to individuals working on fixed-term or temporary contracts. About 25,000 loans have been financed since the launch of this offer. It has made credit accessible to individuals who previously had no access to it, thus allowing them to start out their professional life and finance their projects (car, home improvements, etc.). The maturity, interest rates and repayment schedules for these loans are tailored to the customer's budget. Since 2014, Cetelem, in collaboration with Mondial Assistance, also offers a free tailored job search support programme called "Employment project". It includes a skills assessment, training on job search techniques, targeting of job applications and ongoing support throughout the job search.

Access to insurance

BNP Paribas Cardif in France continues to improve access to insurance for people with an increased risk of health issues by fine-tuning the applicable pricing scale according to the type of illness in light of medical progress or medical monitoring. Since 2008, an adjusted pricing scale has been offered to individuals suffering from six illnesses, including the addition of valvular heart disease in 2015.

In Korea, Cardif Assurance Vie Korea is expanding access to insurance for older people (61-80 years old) suffering from chronic illnesses (diabetes, hypertension) and is launching its Silver Cancer Assurance programme. This product may be renewed every ten years up to a maximum age of one hundred years old.

In Chile, in partnership with the bank Caja de los Andes, BNP Paribas Cardif Seguros Generales launched an insurance policy in 2015 aimed at disadvantaged populations (with an average monthly income of about EUR 650). This inexpensive accidental death insurance (530 Chilean pesos, or about EUR 0.65 cents) offers a coverage of about EUR 16,500 in case of passing of an insured person.

PROVIDING ASSISTANCE TO CUSTOMERS AT RISK

BNP Paribas takes particular interest in customers who suffer from a disadvantage, whether due to a disability or to their financial situations, and ensures their access to banking services.

Customers with disabilities

In Belgium, BNP Paribas Fortis continues to strengthen actions implemented since 2012 to facilitate access to persons with disabilities. 132 of its **branches** are recognised as being "**accessible to persons with reduced mobility**" (12 more than the previous year). Blind and visually impaired customers can use one of the 2,000 **ATMs with voice function**, available in almost 1,000 locations.

In Italy, in partnership with Pedius, an Italian start-up specialised in telecommunications, BNP Paribas has developed a mobile app: thanks to voice recognition and voice synthesis technologies, it allows the hearing impaired to access telephone banking services.

Customers experiencing financial difficulties

The Group is committed to the growth of responsible lending: it seeks **to promote access to loans for the greatest number of individuals, while combating excessive debt**. The Bank supports its customers at key points in their lives and continues to do so during difficult periods associated with material changes, unforeseen expenses, health issues or difficulties in budget management.

In 2010, **Cetelem** invested in a tool for the detection of early warning signals as to the vulnerability of its customers in order to be able to contact and advise them before their situation deteriorates. This **proactive approach** facilitates the identification of customers in potentially difficult situations. They are sent a letter inviting them to contact a **specialised team** for a preliminary interview to assess the financial health of the household. If the difficult situation is confirmed, Cetelem may offer the household an internal solution (a pause in payments, a restructuring of debt to balance the budget over the long-term, etc.). If their situation is more precarious (approximately 10% of cases), Cetelem refers them to the CRESUS association, with which it has jointly created a customised support mechanism. All marketing effort is suspended for customers who are deemed to be experiencing difficulties, and they are offered an educational programme to assist them with budget management. In 2015, more than 8,200 customers benefited from a complete budget analysis; 35% of these revealed areas of weakness and were provided with personalised assistance.

French Retail Banking (FRB) has also implemented several **prevention and support mechanisms for its customers experiencing difficult situations**. In 2015, FRB participated in projects led by the Observatory of Banking Inclusion and the Directorate General of Social Cohesion (of the French Ministry of Social Affairs). Among the topics covered were: the definition of indicators to identify vulnerable customers and points of budget advice. A partnership between CRESUS, the Regional Directorate of Eastern France and the Regional Directorate of Lyon has also been established to provide **support for customers suffering from excessive debt: 150 customers benefited from the service in 2015**. Several meetings with CRESUS and the teams of eight centres specialised in regional budget

solutions were also organised. These meetings provided the occasion to present the partnership, exchange best practices, organise the "Dilemme" game workshop and train 120 employees in running the game, in view of a National Budget Day in February 2016 in the bank branches. Finally, a document entitled "The right to a bank account and providing assistance to customers at risk" was published for employees in 2015.

FINANCIAL EDUCATION FOR CONSUMERS

Financial education has demonstrated its effectiveness in combating excessive indebtedness and encouraging economic growth. In 2015 again, BNP Paribas employees committed themselves strongly to this cause by helping to design educational content and tools or by training the public.

In 2015, over 479,000 people had access to these programmes, not just in the domestic markets, but also in Turkey, the Netherlands, the United States and India.

Numerous programmes target young people as a priority:

- In 2015, the **First Hawaiian Bank** signed a partnership agreement with EverFi, a company specialising in financial education for state school pupils using innovative technologies. FHB invested over USD 15,000 in the set-up of the "MyMoney Program" in five Hawaiian state schools, whose pupils are mainly from low-income families. This year, the program reached over 450 pupils.
- During the 2015 school year, through the partnership between **BNP Paribas Cardif** and the French NGO *Entreprendre pour Apprendre* (EPA), 54 employees provided their support to EPA mini-enterprises and the "Start-Up EPA" and "Notre Commune EPA" programmes, or took part in Île-de-France or national championships. For the year, a total of 475 pupils benefited from EPA programmes, in which 66 employees provided 480 hours of support, 50% during their leisure time and 50% during their working time. In the Netherlands, BNP Paribas Cardif sponsors the Life & Finance (LEF) platform which promotes financial education towards young people. In 2015, the programme was followed by 2,500 students.
- **BNP Paribas Singapore** continues to reinforce its partnership with the Singapore Management University (SMU) and awards a prize, "The Fellowship Award" for exceptional contributions by members of the university's finance department.
- In Romania, BNP Personal Finance participated in the "Grow" project launched by the association Scoala de Valori. In 2015, 1,600 secondary school pupils in years 11 and 12 and 1,750 in years 9 and 10 received a total of 500 hours of financial awareness.
- In Belgium, 100 young people benefited from the "Plan Jeunes Banking Sector" programme during the year. This programme helps young people under the age of 26 to break into the labour market.

Other initiatives intended for entrepreneurs

- In Ukraine, UkrSibbank offers its customers (SME managers, entrepreneurs, accountants, etc.) seminars on legislation, taxation or accounting. In 2015, 1,116 customers benefited from nine training sessions.

Other programmes involving all sectors of the public:

- In France, the Cetelem Foundation for budget management education continued its efforts, in keeping with the responsible credit commitment® of **BNP Paribas Personal Finance**. In addition to the foundation's initiatives, BNP Paribas Personal Finance reinforced its "Collaborateurs Citoyens" programme which organises budget management workshops led by employees to help jobseekers in job integration programmes.
- In Italy, through its EduCare programme, **BNL** offers a set of budget management education courses intended for customers and non-customers alike. Through the EduCare school (*EduCare Scuola*), launched in 2014, nearly 125,000 pupils aged 15 to 16 benefited from those courses in 2015. Moreover, 2015 saw the launch of a new
- initiative, in partnership with the Italian National Olympic Committee (CONI): EduCare Sport offers financial education courses to sports professionals, athletes and former athletes.
- In Belgium, **BNP Paribas Fortis** offers financial education sessions to customers as well as non-customers. So far, some 15,000 people have attended the courses, with nearly 750 modules to choose from, covering numerous financial topics.
- In Morocco, the **BMCI** launched the "Experts Banque" project, in partnership with Atlantic Radio. This project consists of a radio programme focused on "The bank and financial news". Lasting a minute and a half, the educational information flashes are aired every day and published on the BMCI's Facebook page. In addition, for the 4th consecutive year, the BMCI took part in the Financial Education Week for children and young people held in all Moroccan cities.

COMMITMENT 8: COMBAT SOCIAL EXCLUSION AND SUPPORT HUMAN RIGHTS

Beyond the fight against financial exclusion, BNP Paribas has long been committed to combating social exclusion. The Group thus develops initiatives to promote the support of populations at risk, particularly in underprivileged urban areas. On a broader scale, BNP Paribas has reasserted its commitment in terms of Human rights.

COMBATING SOCIAL EXCLUSION

Projet Banlieues, a multi-faceted initiative targeting France's underprivileged urban areas, is the Group's flagship project in the fight against social exclusion.

Projet Banlieues: 10 years of commitment to help deprived suburbs

In 2015, BNP Paribas and its Foundation celebrated the 10th anniversary of *Projet Banlieues*, launched at the end of 2005 following urban riots in the poor suburbs of numerous French cities hit by unemployment and a feeling of abandonment.

Between 2005 and 2015, the Group quadrupled its subsidies to local NGOs promoting social inclusion in underprivileged urban areas, through three main focuses: social integration through economic activity via Adie, education via Afev and support for local NGOs striving to improve social relations in deprived neighbourhoods. These are all ways of combating the various forms of exclusion in underprivileged urban areas.

Key figures of *Projet Banlieues* after 10 years of operation

- Nearly EUR 35 million in subsidies;
- 600 branches and over 800 employee volunteers involved;
- support provided to 320 local NGOs through donations and skill-based support;
- 829 projects supported.

- Over 220,000 beneficiaries: 8,000 jobs created through Adie; support provided by Afev to 7,000 children every year; 30,000 adolescents benefiting from the *Odyssée Jeunes* programme; over 182,000 benefiting from the support provided to local NGOs striving to improve social relations.

Creation of businesses and integration into the labour market

The Group and the BNP Paribas Foundation support:

- **Adie:** for the past 20 years, BNP Paribas has worked with **Adie** in developing microcredit in France as a viable tool for social inclusion. The Group has become the association's leading partner, with over EUR 8,925,000 donated since 2006 (see also *A corporate philanthropy policy*, Commitment 9);
- The "**Initiative France**" network, which finances and assists in the creation/resumption of businesses in France via innovative business creation platforms;
- **France Active**, which receives support from BNP Paribas through 41 regional funds and assistance in the development of the *CAP Jeunes* programme.

Education: promoting equal opportunity

For the past 20 years, the BNP Paribas Foundation has been supporting education through the local initiatives of *Projet Banlieues*, as well as alongside key players such as **Afev**. Moreover it has been providing support through its own programme *Odyssée Jeunes* (see *A corporate philanthropy policy*, Commitment 9).

In October 2015, BNP Paribas undertook to significantly increase its support for education, through:

- a 60% increase in its subsidies, i.e. a total commitment of EUR 410,000 in 2015;
- on-site initiatives to stimulate entrepreneurship:
 - 100 BNP Paribas employees going out to meet pupils in secondary schools,
 - 200 adolescents in local branch offices to discover the business world.

Supporting local initiatives

Thanks to the involvement of the Group's Foundation, its network of branches and its employees, the Group has supported 350 neighbourhood associations since 2006, including 111 for 2015 alone. In 2015, the BNP Paribas Foundation decided to extend its support to three new areas: Val-de-Marne, Paris (19th and 20th arrondissements) and Yvelines.

In October 2015, BNP Paribas announced the opening-up of its Projet Banlieues initiative to Business and Retail customers through Projet Banlieues & Connect: because a change in the scale of the initiatives is increasingly crucial to promote social cohesion and employment in deprived urban areas, the Group wishes to take on-site action to promote solidarity and cooperation among all players.

Marie-Claire Capobianco, Head of French Retail Banking and member of BNP Paribas' Executive Committee explains: "For the past 10 years, our teams have been working on-site alongside local NGOs which do remarkable work. Today, we want to go even further: we will give our Business and Retail customers the opportunity to join *Projet Banlieues & Connect* to help us promote social cohesion and employment in underprivileged urban areas." (See the press release of October 2015 on the website www.bnpparibas.com.)

Other Group initiatives to combat social exclusion

Other initiatives have been set up within the Group to combat social exclusion, in particular:

- Since the end of 2015, **BNP Paribas Real Estate** has committed to supporting jobseekers by enabling them to use vacant office space, in partnership with Solid'Office (shared office space and coworking) and *Bureaux A Partager*. The 1st Solid'Office space opened on its initiative.
- The Group has been reinforcing its actions to give disabled persons easier access to its services (see *Providing assistance to customers at risk*, Commitment 7).
- Concerning responsible purchasing, the Group ensures that its calls for tenders are open to the sheltered employment sector (see Commitment 1, *Positive impact of financing and investments, Social entrepreneurship*).

BNP PARIBAS IS COMMITTED TO RESPECT FOR HUMAN RIGHTS

BNP Paribas complies with the internationally recognised standards concerning Human rights. The Bank ensures that these rights are respected in all its activities, in all the countries in which it operates and in its relations with its employees, supply chain, customers, and the communities in which it operates. BNP Paribas supports the United Nations Guiding Principles on Business and Human rights, in accordance with the "Protect, Respect and Remedy" framework.

The Bank recognises its own responsibility as an employer, provider of financial services and purchaser. It thus ensures that it is under no circumstances complicit in Human rights violations, whether directly

or indirectly. Moreover, to show its commitment and determination, BNP Paribas has made efforts this year to comply with the recommendations of the UN Guiding Principles Reporting Framework released in February 2015.

Commitment at the highest level

In 2012, Executive Management signed BNP Paribas' Human Rights Declaration committing the organisation to ensuring the respect of Human rights within its sphere of influence, meaning among employees, suppliers, customers and communities. The Group thus takes Human rights criteria into account in its choice of countries of operation.

Among the nine CSR management indicators (2013-2015 indicators) used in the calculation of the deferred variable compensation of the Group's top 5,000 managers (see *Our Corporate Social Responsibility strategy*), three are linked to Human rights.

The importance of indirect impacts

Since 2013, BNP Paribas has been taking part in the meetings of the Thun Group, an informal group representing international banks which meets to discuss the application of the "Protect, Respect, Remedy" framework to the financial sector. In fact, the financial sector's potential impacts on Human rights are mainly indirect (*i.e.* they stem from the activities of customers or companies in the banks' portfolios). To ensure respect for Human rights, banks are thus faced with specific challenges and increasing complexity.

Identifying "salient"⁽¹⁾ Human rights issues for BNP Paribas

The Group concentrates its efforts on the most salient issues for banks and financial institutions. According to the UN Guiding Principles Reporting Framework, salient issues are those which present the most risks in the Company's activities or in its business relations.

BNP Paribas has identified **four salient issues**:

- two stemming directly from its activities: the right of access to financial services and the right to privacy (protection of customers' personal data);
- two stemming from the activities of customers or companies in its asset portfolio: the rights of workers and the rights of local communities.

These issues were identified through a combination of different sources:

- an internal procedure was conducted to identify all direct Human rights risks (employees, retail customers and suppliers), as well as indirect risks (on the Group's loan portfolio);
- the Bank took part in several working groups (Thun Group, Businesses for Human Rights (EDH), Global Compact Advanced Club France, UN Business and Human Rights Forum, etc.) and has taken the opinions of stakeholders into account.

(1) Refer to the UN Guiding Principles Reporting Framework.

Dialogue with stakeholders

An increasing number of stakeholders are calling for more transparency and discussions on the consideration of Human rights by companies. To this effect, BNP Paribas, which adopted the Comité 21's "Guiding principles for constructive dialogue with stakeholders" in 2015, gives great importance to dialogue with its stakeholders (see *Fostering dialogue with stakeholders, Our CSR strategy*).

Grievance mechanisms

The BNP Paribas Group recognises the importance of having grievance mechanisms in place in order to provide or allow remediation in the event of negative impacts on Human rights due to its activities or business relations.

The various mechanisms in place are presented in the section "*Fostering dialogue with stakeholders, Our CSR strategy*".

Training

As a founding member of the Businesses for Human Rights (*Entreprises Droits de l'Homme*, EDH) association, BNP Paribas distributed a **Guide for the evaluation of risks associated with Human rights for managers** to all its CSR managers, who now have a readily available implementation tool. In 2015, the **CSR officers** were **briefed** on the identification of indirect risks to Human rights in the Group's loan portfolio. BNP Paribas also took part in the development of an awareness-raising **e-learning module**: "Business and Human Rights" (30 minutes). Aimed at employees of EDH member companies, this module will supplement the Group's measures and will be included in its training catalogue. It will become mandatory for employees who directly contribute to the promotion of Human rights (Risk, Purchasing, business relations officers, etc.).

Due diligence and dialogue

In the event of suspected or identified negative impacts on Human rights by a BNP Paribas customer or a company in its portfolio, **the Group conducts in-depth due diligence procedures and discusses the matter** with the company concerned (see *Management of Environmental, Social and Governance (ESG) risks*, Commitment 3). Here are three noteworthy examples:

- BNP Paribas holds periodic talks with companies in the arms sector to ensure compliance with international conventions banning controversial weapons (see *Management of ESG risks*, Commitment 3).
- To address the lack of transparency in clinical trials, the SRI research team of BNP Paribas Investment Partners invited investors to call on pharmaceutical laboratories to publish the results of all their clinical trials. This exemplary initiative illustrates the beneficial influence that investors have to promote better practices among companies in their portfolios.
- This action echoes another initiative launched by the SRI team of BNP Paribas Investment Partners who, starting in 2014, managed to get a group of institutional investors to join forces to put pressure on certain pharmaceutical laboratories. As their products were diverted for lethal injections in American prisons, these investors insisted that these laboratories set up mechanisms to control their downstream

distribution chains, as is done by some of their competitors. In autumn 2015, two of the targeted laboratories, including one of the leaders, published a statement announcing the set-up of contractual control mechanisms vis-à-vis their distributors. BNP Paribas Investment Partners continues to monitor compliance with its commitments.

Management of direct salient risks

Right to privacy

In keeping with BNP Paribas' wish to be exemplary in the **protection of customers' private data**, its general policy regarding this protection is applicable in all the entities and countries where the Group operates. It prevails over local rules whenever these are of a lower requirement level and commits the Group to:

- inform customers as quickly as possible in the event of a policy change or data hacking;
- limit the collection of data to essential personal information;
- clearly state how the personal data will be used;
- ask for the customers' consent for the collection, use or sharing of any non-essential personal data;
- use the best available data protection systems.

BNP Paribas' "Data protection" training involves all Group employees in order to develop the reflexes necessary for guaranteeing the safe handling of personal data throughout the business relationship. In 2015, this training had been fully provided to 35,885 employees.

Moreover, the Group's online training platform offers its employees the "Let's get digital" course. This course covers social networks and their use, digital risks, the right reflexes to adopt, and the opportunities and challenges of digital technology. It thus prepares employees for tomorrow's digital bank by reiterating the Group's requirements in terms of protection of client interests and responsible marketing (see *Primacy of client interests*, Commitment 2)

Right of access to financial services

The Group considers that sustainable economic development promotes wider access to fundamental rights. This is why it **places emphasis on access to financial services in the communities where it operates**, clearly asserting its will to contribute to it.

For the Group, the right of access to financial services is a salient issue in several respects: it can be considered as a risk for the customers affected (financial illiteracy, overindebtedness, etc.) and for the Bank (credit defaults, image risk, etc.). However, it can also constitute a real opportunity for all stakeholders: through financial education, customers learn about the benefits of savings and budget management; through its dedicated offers of products and services for vulnerable customers, BNP Paribas strives to protect its customers from overindebtedness and dependency and makes banking services accessible to those who do not have access to traditional products and financing.

BNP Paribas thus takes specific measures in favour of customers in vulnerable situations due to their financial situations or disability, and facilitates their access to banking services, in particular by providing public training on financial issues and developing dedicated offers

of products and services (see *Products and services accessible to the greatest number of people*, Commitment 7).

Alongside these different initiatives and to continue to promote everyone's right of access to financial services, the Group has been engaged in multi-stakeholder consultations and dialogue for numerous years, involving consumer associations, family associations, charities, institutions, etc., concerning the Bank's products and businesses. Such is the case for BNP Paribas Personal Finance concerning personal loans, for example. Since 2010, regular working groups enable completely transparent dialogue, sometimes involving rival views, facilitating planning relating to the necessary developments in credit offers and practices.

Management of indirect salient risks

The Group uses its influence to incite its customers and the companies with which it has business relations to manage their own activities in the respect of Human rights. It also commits to identifying, evaluating (due diligence process), monitoring and helping to improve the current and future performance of its customers in sensitive sectors in order to avoid negative impacts to Human rights in their operations or supply chain.

In 2015, BNP Paribas developed its own procedure to identify indirect risks to human rights: it makes it possible to identify and assess risks to

Human rights in its loan portfolio. The objective methodology adopted is based on the "impact" (from the point of view of rights holders) and "probability of occurrence" of the risks. This tool is useful in three respects: identifying Human rights risks; allowing the mapping of the priority risks to which BNP Paribas is currently exposed in its portfolio; assisting managers in their decision-making concerning financing and investment and helping the Risk teams in their specific due diligence procedures (see the measures set up to fully cover the Group's extra-financial risks, including Human rights risks in *Management of ESG risks*, Commitment 3).

Workers' rights

The procedure initiated in 2015 to identify indirect risks to Human rights in the **Group's loan portfolio** has revealed that workers' rights are a salient issue.

This topic involves various aspects, many of which have already been covered by the Group's ESG risk management systems and policies.

The human rights criteria in six CSR policies regarding financing and investments in sensitive sectors deal with workers' rights issues, in particular child labour and forced labour, worker health and safety, and freedom of association. These issues are also factored into projects coming under the scope of the Equator Principles.

► SIMPLIFIED SUMMARY OF MANDATORY WORKERS' RIGHTS CRITERIA IN THE BNP PARIBAS GROUP'S SECTOR POLICIES

	Forced labour	Child labour	Health & safety policy + health & safety history	Health & safety history (on its own)	Human resource policy	Freedom of association	Non-discrimination
Agriculture	X	X	X		X	X	X
Mining	X	X	P	X			
Paper pulp	X	X		X			
Oil sands				X			
Coal-fired power generation			P	X			
Palm oil	X	X	X				

Note: The sector policies impose different criteria depending on whether the investment/financing considered applies to a project or a company. "X" indicates that the criterion applies to projects as well as companies. "P" indicates that the criterion in question is a mandatory requirement for the projects.

As presented in the "Management of extra-financial risks", the "CSR screening" used for **large corporate clients** currently covers 10 business sectors. The nature of the risks identified is specific to the characteristics of each sector.

With respect to **suppliers**, to address issues such as child labour and forced labour, additional questions are included in calls for tender concerning sensitive purchasing categories such as promotional objects, etc. (see *Management of ESG risks*, Commitment 3).

Rights of local communities

Another salient issue identified – that of local communities' rights – is at the heart of most controversies affecting major industrial projects.

One of the commitments of the Equator Principles (see *Management of ESG risks*, Commitment 3) particularly concerns the stakeholders and communities potentially impacted and aims to protect them, inform them, and prevent and remedy any negative impacts.

In addition, in the sectors identified as highly sensitive, **the Group may ask its customers to demonstrate** that they have consulted the local populations before the project or that they set up a mechanism to address grievances. Thus, the Human rights criteria of seven of the CSR policies regarding financing and investment in sensitive sectors take account of local community rights issues:

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► SIMPLIFIED SUMMARY OF MANDATORY LOCAL COMMUNITY RIGHTS CRITERIA IN THE GROUP'S SECTOR POLICIES

	"Free prior and informed consent" of local communities	Remedy mechanism	Land grabbing	Formal public commitment and community consultation mechanism	Involvement in controversial arms trade, transport or production
Agriculture	X		X		X
Mining					
Paper pulp	X		X		
Oil sands			X		X
Coal-fired power generation			P		P
Palm oil	X		X		
Defence					X

Note: The sector policies impose different criteria depending on whether the investment/financing considered applies to a project or a company. "X" indicates that the criterion applies to projects as well as companies. "P" indicates that the criterion in question is a mandatory requirement for the projects.

In the "CSR Screening" tool, a risk category covers the health and safety of local communities for certain sectors, while another covers "Human rights" in a more general way.

COMMITMENT 9: CORPORATE PHILANTHROPY POLICY FOCUSED ON THE ARTS, SOLIDARITY AND THE ENVIRONMENT

BNP Paribas works in a very concrete manner to create a balance between performance and social responsibility. Not only in the daily activities of its business lines, but also in its philanthropy activities, which involve increasingly large numbers of employees throughout the world.

A STRUCTURED AND INCLUSIVE PHILANTHROPY POLICY

Through its international dimension, the BNP Paribas Group develops a structured philanthropy policy, which is both global and respectful of the local dimension of the initiatives implemented by the countries in which it operates. The BNP Paribas Foundation coordinates this commitment around three areas of application:

- **Solidarity:** combating exclusion and discrimination; fostering employee volunteering; supporting education and professional integration;
- **Arts:** fostering the performing arts; preserving and enhancing cultural heritage;
- **Environment:** supporting programmes aligned with the Group's CSR policy to promote research on climate change (see *Advance awareness and sharing of best environmental practices*, Commitment 12).

Structured governance

BNP Paribas' corporate philanthropy involves 13 foundations or funds, as well as directly managed initiatives. In 2015, the Group had:

- 1 historical foundation: the BNP Paribas Foundation, under the aegis of Fondation de France, which ensures that the Group's Corporate Philanthropy is coherent. It is chaired by Michel Pébereau;
- 9 country-based foundations: in Germany, Belgium, Brazil, Bulgaria, Italy, Morocco, Poland (stemming from the BGZ-BNP Paribas merger), Switzerland, United States (First Hawaiian Bank Foundation);
- 1 brand-based foundation: Fondation Cetelem;
- 1 "Rescue & Recover" endowment fund, set aside for victims of humanitarian disasters;
- 1 regional endowment fund: BNP Paribas Banque de Bretagne endowment fund.

On the other hand, BNP Paribas' philanthropy efforts are reinforced by programmes initiated by the Group entities and business lines throughout the world: Africa, Europe, North and South America, Asia-Pacific, Middle East.

BNP Paribas philanthropy in 2015

Every year, the BNP Paribas Foundation collects the facts and figures concerning BNP Paribas' philanthropy efforts via a web platform. In addition to that function, the PHI platform is accessible to the public: <http://dataphilanthropy.bnpparibas.com>.

In 2015, 4,019 projects took place, representing a budget of EUR 38.6 million, including:

- EUR 27.0 million for solidarity (70%);
- EUR 8.2 million for arts (21%);
- EUR 3.4 million for medical and environmental research (9%).

Solidarity

The solidarity actions of the BNP Paribas Foundation and corporate philanthropy players of BNP Paribas throughout the world focus on five areas: supporting education initiatives, contributing to integration efforts, participating in the fight against poverty, fostering employee involvement, and developing international solidarity initiatives.

The three major highlights of 2015 were:

- the 10th anniversary of the *Projet Banlieues* initiative (see *Combat social exclusion and support Human Rights*, Commitment 8), with the reinforcement of the Foundation's commitment in favour of education;
- BNP Paribas' support plan of EUR 5 million, dedicated to the welcoming of refugees in Europe, with the involvement of the BNP Paribas Foundation;
- the set-up of Dream Up, the BNP Paribas Foundation's new international programme dedicated to education through artistic activities.

Increased support for education

Education plays a central role in the solidarity initiatives developed by the BNP Paribas Foundation and BNP Paribas in their worldwide philanthropy work.

In 2015, for the 10th anniversary of the *Projet Banlieues* initiative (see *Combat social exclusion and support Human Rights*, Commitment 8), the BNP Paribas Foundation decided to increase its financial support to three partner associations focused on promoting education and the entrepreneurial spirit:

- **Afev** (a partner for the past 20 years) organises educational support for school children with the help of student volunteers. In 2015, the annual subsidy increased from EUR 150,000 to EUR 200,000 per year for a period of three years (2015-2016-2017). This aid will support Afev's national expansion particularly in Île-de-France, the Eastern region (Reims, then Strasbourg), Brest and Grenoble and the development of its national events: Day dedicated to the prevention of school failure, Observatory of solidarity in young people.
- **Proxité** (a partner for the past 12 years) is dedicated to promoting the social and professional integration of young people via individual support by volunteer workers. The BNP Paribas Foundation's support will amount to EUR 40,000 per year, from 2015 to 2017. 2015 target: a two-fold increase in the number of sponsorships in Île-de-France and the deployment of the initiative in three new areas: Lille, Toulouse and Rouen.
- **EPA** (a partner for the past 2 years) promotes the entrepreneurial spirit in schools. Initially set at EUR 50,000, the Foundation's annual subsidy

to EPA has risen to EUR 80,000 per year starting in 2015 for a period of three years (2015-2016-2017). It will enable EPA to extend its "Mini Enterprise" programme to the vocational secondary schools of three major French cities (Marseille, Nantes and Strasbourg).

Moreover, 2015 was marked by new initiatives combining education with innovation or artistic development.

■ Innovation: providing partners with crowdfunding training and support

In 2015, the BNP Paribas Foundation launched an innovative initiative to introduce its partners to crowdfunding via the Ulule platform. 15 associations were trained in the management of a crowdfunding campaign. In addition, the Foundation matched every euro donated by web users.

■ International launch of Dream Up, a project dedicated to education through artistic activities

For its 30th anniversary, the BNP Paribas Foundation launched Dream Up, a programme aimed at underprivileged youths in all countries where BNP Paribas operates, supporting the Foundation's internationalisation ambitions. In 2015, Dream Up started with the launch of **28 three-year projects** dedicated to education through artistic activities in **26 countries** (Americas, Europe, APAC, MEA). **It currently covers 30,000 children and adolescents. With a total budget of EUR 1.7 million over a three-year period**, each Dream Up project is allocated EUR 20,000 per year for three years. A sociological study will examine the impact of the programme.

Contributing to integration efforts

- In 2015, the BNP Paribas Foundation renewed its convention with **Adie** for a further three years (2015-2017). It thus extended its partnership started in 1996 in synergy with the Bank, which has been the association's banking partner since 1993. At the launch of the *Projet Banlieues* initiative in 2005, the BNP Paribas Foundation reinforced its partnership with Adie by setting up a set of measures aimed at supporting job creation in sensitive urban areas. Once again in 2015, it committed funds of EUR 1.2 million (EUR 1.25 million in 2016 and EUR 1.3 million in 2017) to supplement Adie's network of 16 district units with mobile units.
- In 2015, the 6th **Awards of the BNP Paribas Fortis Foundation** once again helped to promote the inclusion of troubled youths in Belgium. A total of EUR 754,000 was thus allocated to 72 local NGO projects. Since its launch in 2010, this programme has provided support to almost 350 community initiatives through funding of over EUR 3.8 million.

Participate in the fight against poverty

- In 2013, the BNP Paribas Foundation decided to support the *Restaurants du Cœur* charity through the creation and deployment of the Ulysse management system, which keeps track of the persons helped in the 2,090 centres. The 1st phase of the project was fully financed by the Foundation via a three-year convention allocating funding of EUR 150,000 per year (2013 to 2015). Moreover, the charitable association *Bénévolat de Compétences et Solidarité* (BCS) assists in the IT training of volunteers. In 2015, *Restaurants du Cœur* deployed the first version of the management system in three centres manned by volunteers. To ensure the successful completion of this strategic project for the association, the BNP Paribas Foundation renewed its support through an allocation of **EUR 450,000 over a three-year period** (EUR 150,000 in 2016, 2017 and 2018). This commitment represents 50% of the budget for the next three years.

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- Since 2012, the Foundation has been supporting the Paris **Samusocial** through a three-year convention allocating funding of EUR 150,000 per year (2012 to 2014). In 2015, it renewed this convention which funds the daily food distribution rounds. Since 2012, the charity has cared for over 6,300 homeless people, and steered them towards the hospital or beds in the *Halte Soins Santé* facilities or emergency shelters.

Expanding international solidarity initiatives

In 2015, the BNP Paribas Foundation continued its **anti-malaria plan** (2012-2015), in conjunction with the Bank's sites in sub-Saharan Africa. This prevention programme distributes treated mosquito nets in Burkina Faso, Côte d'Ivoire, Guinea, Gabon, Mali and Senegal. Over 25,000 mosquito nets have been distributed, equivalent to a budget of EUR 200,000.

Aid for refugees: financial support of EUR 5 million for the reception of migrants in Europe

This support plan draws on several BNP Paribas support levers:

- the BNP Paribas Foundation's support for three major players in the humanitarian sector: the United Nations High Commissioner for Refugees (HCR), *Apprentis d'Auteuil* and *Samusocial de Paris*. The Foundation has based its refugee assistance plan on three lines of action: emergency aid, integration and education.
- support for associations providing local assistance in eight European countries welcoming refugees. Each of these countries has identified the players and projects it wants to support.

In addition to these actions, a donation campaign was launched within the framework of the Rescue & Recover endowment fund (see *Committed employees showing solidarity*).

of 28 to attend Opéra Garnier dress rehearsals at the price of EUR 10 and 800 seats to be offered for these performances via social networks.

Two emerging young artists have become partners of the BNP Paribas Foundation in 2015: choreographer Kaori Ito and circus artist Tatiana Mosio Bongonga.

As a major partner of the world of **music, be it classical or jazz**, the BNP Paribas Foundation supports musicians and composers as well as concert venues and festivals. This includes the "Jazz à Saint-Germain-des-Prés" partnership which was renewed for a further three years in 2015, and the partnership with the "Saint-Louis Jazz" festival in Senegal. The Paul-Acket prize, funded by the Foundation on the occasion of the North Sea Festival of Rotterdam, was awarded to the pianist Tigran Hamasyan in 2015, a former partner of the Foundation. Also in 2015, the young jazz artists Anne Paceo (drummer) and Airelle Besson (trumpet player) became partners of the Foundation.

For the fourth year, the Swiss BNP Paribas Foundation and HEAD-Genève have joined forces to promote young visual art graduates. The 16 talents selected at the New HEADS - BNP Paribas Foundation Art Awards were able to present their artworks at an exhibition overseen by an internationally renowned curator, Latifa Echakhch. Two of the young artists were awarded a prize of CHF 12,000 based on the votes of BNP Paribas Switzerland employees and a jury of Art professionals.

Preserving and showcasing national museums

In 2015, as part of the "*BNP Paribas pour l'Art*" programme, **numerous restoration campaigns** were conducted in France and worldwide. The most noteworthy are the following: the lacquer works of Dunand at the André-Malraux Museum in Le Havre, the painting *Interior with a Woman Playing a Virginal* by De Witte at the Montreal Museum of Fine Arts, and Foujita's painting *Before the Ball* at the National Art Center of Tokyo. Furthermore, the BNP Paribas Foundation partnered Sèvres - *Cité de la Céramique* for the restoration of an exceptional set of 18th century terracotta works, featured in the exhibition "*La Manufacture des Lumières. La Sculpture à Sèvres de Louis XV à la Révolution*".

Arts

BNP Paribas places particular importance on support for culture, which it considers a social necessity and a factor in both individual and collective development.

Encouraging artistic expression

Recognised among the few corporate sponsors of **contemporary dance** and new **circus arts**, the BNP Paribas Foundation supports some 20 artists and performance venues. In 2015, it inaugurated new partnerships and renewed some of its commitments to major institutions, while also supporting emerging young artists.

In February 2015, as founding sponsor, it supported the first International Biennial of Circus Arts. In addition, it supported the international programmes of the *Théâtre National de Chaillot*. It also renewed its triennial partnership with the Montpellier Dance Festival (2016, 2017 and 2018). Another major event in 2015 was the BNP Paribas Foundation's support for the new management of the *Opéra National de Paris*, to participate in its innovative dress-rehearsal policy, starting in the 2015-2016 season. The initiative enables 27,000 young people under the age

COMMITTED EMPLOYEES SHOWING SOLIDARITY

BNP Paribas staff leads the way among employees wanting commitment from their company, and help with participating in charity work themselves. This support may take the form of financial support or help with the mobilisation of an increasing number of employees.

Backing the generosity of employees

Whether through the "*Coup de Pouce*" (Helping Hand) programme or through the Rescue & Recover endowment fund, BNP Paribas backs its employees' commitment with donations to support community organisations.

Helping Hand (*Coup de Pouce*): honouring employee commitment

Created in 2003, this programme supports community projects run by charitable associations in which BNP Paribas employees are personally involved as volunteers. Since 2003, over 621 solidarity projects have been

supported in France in the fields of health, disability, local solidarity and humanitarian aid. In 2015, the BNP Paribas Foundation supported 43 projects launched by employee volunteers totalling EUR 121,200. Since 2015, the "Coup de pouce" programme covers 19 countries in which the Group operates. A web application provides a global view of the programme: <http://dataphilanthropy.bnpparibas.com/coupdepouce>

Record donations through the Rescue & Recover endowment fund

Launched at the end of 2012 by BNP Paribas, the **Rescue & Recover endowment fund** allows the rapid and efficient collection of donations in the event of humanitarian catastrophes. In addition, each time an employee makes a donation to that fund, BNP Paribas matches its amount before giving it to its partner associations: CARE, the French Red Cross and *Médecins Sans Frontières/Doctors without borders*.

With four emergency collections and over EUR 980,000 collected, 2015 was a particularly eventful year. The Rescue & Recover endowment fund provided support in a variety of events and geographical areas: Pam cyclone in Vanuatu, earthquake in Nepal, migrants in Europe and floods in India. Moreover, the operation targeting the voluntary donation by employees of part of their bonuses was successfully renewed in the UK and followed by another large donation: CIB's donation of its Christmas present budget to the fund to finance projects for children. Lastly, the year was also marked by the opening-up of the fund to retail bank customers in France: since June 2015, they can participate in all emergency fund campaigns.

Offering volunteering assignments to employees

BNP Paribas has put in place numerous initiatives – dedicated associations, online platforms, charity events, etc. – to foster a sense of commitment in its employees both in France and internationally.

In certain cases, these volunteering activities can even constitute career advancement opportunities, as is the case for skill-based support (for further information, see section 7.3 *Social responsibility: developing and engaging our people responsibly*). In 2015, the Bank donated nearly 77,000 hours (versus 75,000 in 2014) for volunteering activities during working time.

Fostering volunteer work through dedicated structures

Whether through the deployment of dedicated platforms or through the long-standing involvement of dedicated associations, numerous initiatives are conducted to promote volunteering among the Group's current and retired employees.

■ **Benevolab**, which took over from *MicroFinance Sans Frontières*, offers the skills of the Group's current and retired employees to charitable organisations and social enterprises. In 2015, 173 volunteers were able to complete 94 missions covering 27 countries and using **351** travel days.

This skill-based support is now available in numerous countries, including Belgium, France, Luxembourg, Morocco, the UK, Senegal, Switzerland and the United States. www.benevolab.org

■ **Bénévolat de Compétences et Solidarité (BCS)** is dedicated to skill-based support in continental France and its overseas departments and territories, where it has a strong presence. Its role is to welcome and inform the future volunteers and steer them towards some forty associations in order to build long-term ties with them. These associations are divided into three categories –"Solidarity Finance", "Youth Integration" and "New Community Ties". In 2015, they were joined by the "*Projet Banlieues Associations*". In 2015, 850 volunteers took part in support missions via BCS. Through its action, BCS rounds off the support provided by BNP Paribas and the BNP Paribas Foundation to non-profit organisations.

In 2015, a total of over 68,000 hours of voluntary work were coordinated by BenevoLab and BCS.

■ Platforms promoting access to volunteering

To support skill-based volunteering among employees, several Bank entities have decided to centralise assignment offers and documentation on the Group's intranet platform. Such is the case for BNP Paribas Fortis with its CSR pages and the "Make a Change" volunteering programme in Asia-Pacific.

Organising charity events involving employees

In France and internationally, charity events are an opportunity to increase employee commitment and a major source of internal cohesion.

■ As a committed partner of the **Telethon** initiative for over 25 years, BNP Paribas encourages its employees every year to take part in the event in an efficient and innovative way. In France, the 2015 event once again brought together employees around some of the Bank's major fields of interest: cinema, digital technology, finance, etc. In Italy, where the partnership is one of the strongest in Europe, BNL brought together some 20,000 volunteers consisting of Group employees and their families, who collected over EUR 11 million through their dedication.

■ In December 2015, the 2nd "**Parlons cœur**" event was organised by the French Retail Banking (FRB) staff. During that solidarity day, the customers and potential customers of 200 branches discovered the actions of 300 local NGOs working on a daily basis to support education, culture and solidarity.

■ Numerous **solidarity races** are also organised every year by Group subsidiaries. In June 2015, on the initiative of FRB, nearly 700 Paris employees got together at the Tuileries to walk or run in support of "Action Against Hunger". Likewise, in Poland, within the framework of the "*Dobre Kilometry*" operation, BGŻ employees covered 10,000 km (running, cycling, roller-skating etc.) from 21 September to 21 October to support an oncology centre.

■ On a different note, the First Hawaiian Bank's "**Community Care**" programme aims to bring together NGO members and bank employees wanting to pass on their professional skills to people in need. Since its creation in 2014, it has made it possible to collect USD 50,000 and get employees to volunteer for 15,000 services provided free of charge.

7.5 Environmental responsibility: combating climate change

In its environmental policy, BNP Paribas decided in 2011 that climate change should be the priority focus of its efforts, given its position in the financing of the global economy, particularly in the energy sector. This choice was reinforced in 2015 through new commitments, some of which are detailed below, and in Commitment 3 presented at the beginning of this chapter. It was further confirmed by the Paris Agreement adopted following the COP21 which aims, *inter alia*, to make “*financial flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development*”.

In line with this ambition, and in addition to the environmental risk management measures set out in Commitment 3, the Group has reinforced its three environmental commitments:

- commitment 10: Partnering with our clients in the transition to a low-carbon economy;
- commitment 11: Reduce the environmental impact of our operations;
- commitment 12: Advance awareness and sharing of best environmental practices.

COMMITMENT 10: PARTNERING WITH OUR CLIENTS IN THE TRANSITION TO A LOW-CARBON ECONOMY

The Group assists its customers, whether individuals or businesses, in their transition to a low-carbon economy. To this effect, it uses several levers to cater to their specific needs.

SUPPORTING THE ENERGY TRANSITION

Doubling the support for renewable energy

The BNP Paribas Group has committed to doubling its exposure to the renewable energy sector by 2020 compared to 2014, *i.e.* from EUR 6.9 billion to EUR 15 billion. In line with this objective, this exposure increased to EUR 7.2 billion in 2015, thanks to spearhead projects:

- BNP Paribas was lead arranger for four transactions concerning wind farms in Brazil (Chapada I and Chapada II, Itarema and São Clemente), with a total installed capacity of 800 MW;
- the Group was the exclusive financial advisor for the acquisition of Iberwind by Cheung Kong Infrastructure (CKI) and Power Assets Holdings (PAH) in October 2015; Iberwind manages Portugal's largest wind farm portfolio with a total installed capacity of 684 MW;
- BNP Paribas acted as financial advisor and lender for the Galloper offshore wind farm project of 336 MW, which drew record financing for this type of project in the UK in 2015 (£ 1.37 billion);
- the Group acted as exclusive financial advisor to Engie for its acquisition of a 95% stake in Solairedirect in September 2015, making Engie the leading French player in solar energy with a gross installed capacity of 383 MW, and the ambition to develop 125 MW per year with Solairedirect, in France and internationally.

Moreover, in 2014, BNL introduced a Green Desk in Italy, consisting of seven employees dedicated to dispensing advice and to the financing of

renewable energy production projects for the industrial plants of SMEs or in individual homes. The advice is provided at a reduced price if the project is financed with BNL. Since April 2014, over 329 renewable energy projects were submitted to the platform; 53 of them were accepted for a total of EUR 54.6 million (of which 35 in 2015) breaking down as follows: 35% biomass, 33% solar, 15% hydraulic and 17% wind. They represent a total installed capacity of 25 MW.

In Poland, Bank BGŻ BNP Paribas has held a strong position in the financing of small/medium-sized renewable energy infrastructures since 2008. Bank BGŻ BNP Paribas thus provides services to over 40% of Poland's biogas producers, and has financed 19 of the 78 biogas plants recorded in the country at end-2015.

In Mali, BICIM signed a partnership agreement with the Ministry of Energy and Water to facilitate the purchase of photovoltaic kits by individuals through loans specifically intended to cover purchase and installation costs.

Strong ambition regarding Green Bonds

The Group has committed to promoting Green Bonds with institutional investors, aiming to become one of the world's top three players, in euros, on that market by 2018.

In 2015, the Green Bond issues for which the Group acted as lead manager totalled EUR 3.875 billion, including EUR 827 million in Index Linked Green Bonds.

In 2015, the Group was for example:

- associate bookrunner and lead bank for a USD 350 million Green Bond issue by IBDI Bank Ltd (formerly Industrial Development Bank of India). This was the Indian bank's first Green Bond issue, confirming its strong commitment to the financing of environment-friendly projects.

The funds will be used for projects focused on renewable energy, energy efficiency, responsible water management and low-carbon mobility;

- bookrunner in Brazil's first Green Bond issue, on behalf of the food group BRF SA. The transaction was four times oversubscribed. The funds are dedicated to projects focused on energy efficiency, the reduction of greenhouse gas emissions, the circular economy, water management and responsible forest management;
- lead bank for a EUR 480 million Green Bond issue by Paprec, a French company dedicated to the recycling of non-hazardous waste. This was the first Green Bond issue by an SME in France;
- co-lead bank for the first Green Bond issue in the American private equity market, aimed at a wind farm project in Australia and amounting to AUD 200 million.

Moreover, in November 2015, BNP Paribas, the European Investment Bank (EIB) and Vigeo announced the launch of Tera Neva, a sustainable investment solution supported by a group of institutional investors in the amount of EUR 500 million. This equity index-linked bond issue is based on the EIB's Climate Awareness Bond format: the funds collected are dedicated to renewable energy and energy efficiency projects. The capital is 100% guaranteed and the payoff is linked to the performance of the Ethical Europe Climate Care Equity Index over the life of the bond,

floored at zero and paid at maturity. This Index consists of 30 European equities selected on financial and sustainability criteria based on Vigeo and Solactive filters.

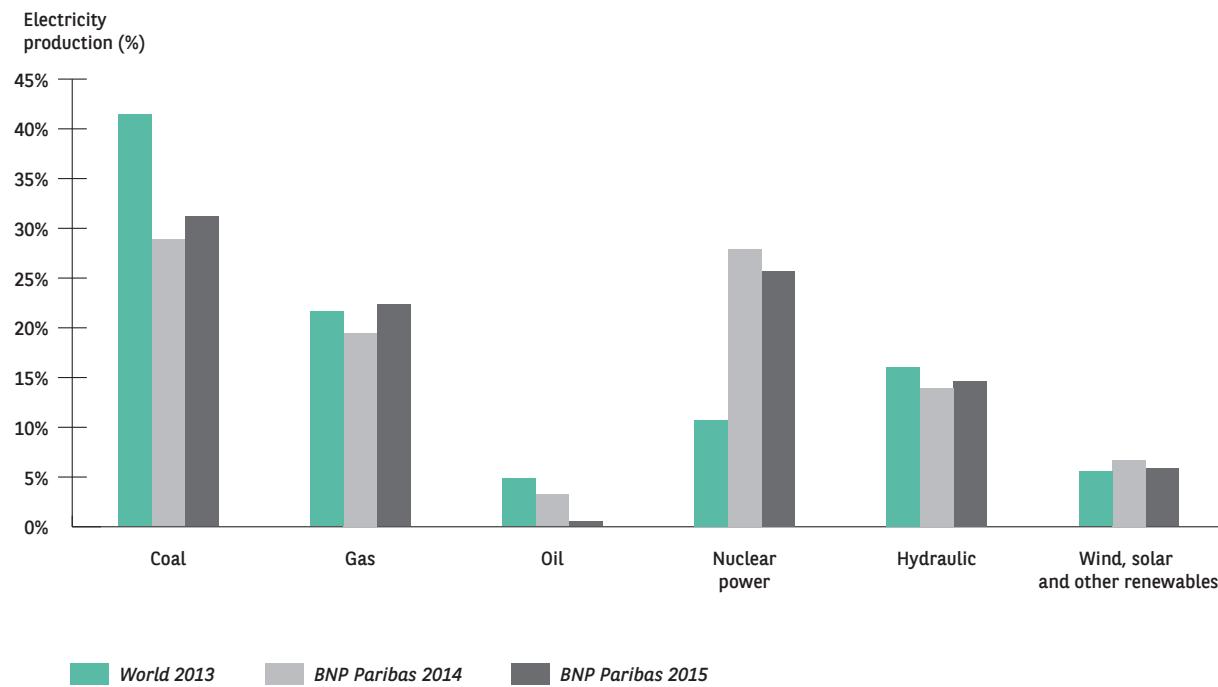
Electricity and energy mixes ranking ahead of the world mix

Electricity mix

In 2015, like in 2014, for the measurement of its indirect emissions (scope 3), the Group calculated the electricity mix it finances, based on the production mix of its electricity-generating customers.

With 53.9% fossil sources (gas, coal and oil) and 20.4% renewable sources (hydraulic, photovoltaic and wind), the electricity mix financed by BNP Paribas has a lower average carbon footprint than that of the world mix, which consisted of 67.8% fossil sources and 21.5% renewable sources in 2013 according to the International Energy Agency (IEA). The carbon content per kWh financed by the Group was 399 gCO₂ versus a world average of 576 in 2013 (source: IEA).

The change in the electricity mix financed by BNP Paribas over the past two years is largely due to the Group's acquisition of a controlling interest in BGZ in Poland, which has a portfolio of local electricity producers using fossil fuels.



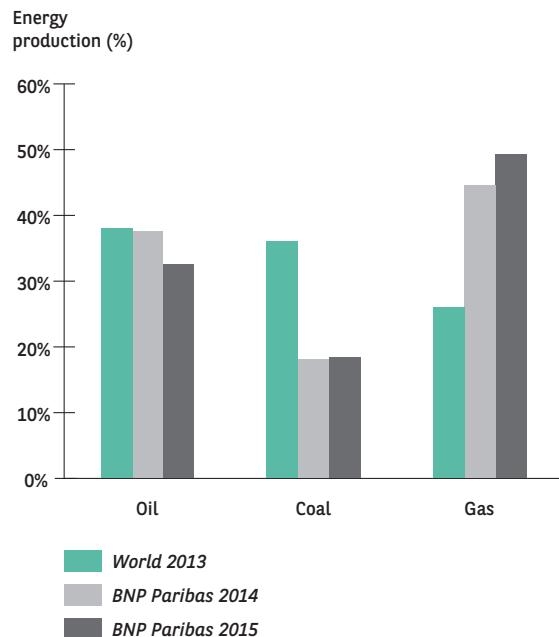
Source: Average energy production mix, weighted by Group exposure, with customers accounting for 2/3 of the Group's exposure to the electricity production sector at end-2015.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Environmental responsibility: combating climate change

Primary energy mix

Moreover, the same calculation was made on the energy resources (coal, oil and gas) produced by the extracting companies financed by the Group. Here again, the energy mix financed ranks ahead of the world average, with less coal/oil and more gas (source: IEA).



Source: Average energy production mix, weighted by Group exposure, with customers accounting for 2/3 of the Group's exposure to the primary energy extraction sector at end-2015.

Financing innovation

The transition to a low-carbon economy also requires the removal of certain technological constraints. The Group has thus undertaken to invest EUR 100 million by 2020 in start-ups which innovate for this transition: for example in the storage of electricity or smart grids.

Thus, in France, 12% of the start-ups supported in the 15 innovation divisions of the Retail Banking network are focused on the environment, and this percentage is set to grow under the scope of this commitment.

HELPING COMPANIES TO IMPROVE THEIR ENERGY EFFICIENCY

Since energy efficiency must play a major role in reducing greenhouse gas emissions, BNP Paribas has undertaken to significantly increase its action in this area, in keeping with the "Financial Institutions' Declaration of Intent on Energy Efficiency" (developed by the EBRD and UNEP-FI) signed in 2015.

Assisting entrepreneurs in their energy efficiency efforts

In France, within the scope of the seven commitments made in 2015 through the "**BNP Paribas Entrepreneurs 2016**" plan, the Group has undertaken to support its business customers in their energy transition. It has extended this programme to all businesses (from very small

companies to intermediate-size companies), as well as self-employed workers, tradesmen, merchants and independent professionals. In partnership with the company Économie d'Énergie which specialises in that field, BNP Paribas offers them wide-ranging support on the "changetogreen.fr" platform: energy diagnoses and regulatory audits, technical solution recommendations and energy supply contract optimisation. The site is designed to address the specific issues encountered by enterprises, with the advice of energy efficiency specialists. Once the energy diagnosis has been done, the Bank offers its customers attractive terms to finance the work required for their energy renovation, for example with the Faciligreen loan – a loan with a maturity of three to five years for specific equipment, with no administrative fees.

In Belgium, through its Sustainable Energy Services (SES) Department, **BNP Paribas Fortis** offers real expertise and support to its SME clients in order to design and finance infrastructure for the production of renewable energy or work done to improve energy efficiency within their plants. In 2015, this SES Department took part in 160 projects representing **EUR 180 million**.

BNP Paribas Real Estate, offering companies responsible real estate

In the construction, management or renovation of buildings, BNP Paribas Real Estate is committed to offering environmentally certified buildings to customers, investors and users. All of the commercial property developed by BNP Paribas Real Estate is thus certified. The teams build and renovate energy efficient buildings eligible for the most stringent environmental certifications and labels. In the management phase, the Property Management teams oversee the entire certification process, from the initial quality audit to the final certification. Moreover, some of the buildings benefit from double or triple certification, in keeping with the clients' international requirements.

Thus, in November 2015, the ZENORA complex built in Issy-les-Moulineaux by BNP Paribas Real Estate was awarded the BREEAM Outstanding certification in its final phase with a score of 93.2%, a world record.

Furthermore, BNP Paribas offers its customers the E@syGreen management solution aimed at analysing and improving environmental performances while optimising energy costs in a proactive way. In 2015, through this solution, BNP Paribas Real Estate conducted 75 energy audits in buildings and enabled its clients to make energy savings of EUR 2 million on behalf of investors and big company clients.

Arval, the low-carbon mobility specialist

In 2015, Arval continued to develop telematics systems in customer fleets. They allow better understanding of people's driving habits and changes in their behaviours to reduce accidents and CO₂ emissions. Overall, through Arval's expertise, the number of vehicles managed for international clients increased 7% between 2013 and 2015 (from 200,000 to 214,000), while total emissions dropped 1%, thereby avoiding 6,000 tonnes of CO₂ emissions. In Germany, within an "offer of the month" programme, a special offer was dedicated to cars emitting less than 120 g of CO₂/km.

In addition, during the European Mobility Week in September 2015, the Marketing and CSR Departments of Arval France presented a preview of their *VéloPartage* solution. In the wake of the *AutoPartage* solution deployed in 2011, this e-bike sharing solution for local travel will be deployed on the sites of Arval France, as well as on its customers' sites. This solution reduces greenhouse gas emissions while promoting user health and travel efficiency.

Arval also offers responsible driving courses to its clients, on all its sites. They focus on road safety, which is a major component of Arval's CSR strategy, and on reducing fuel consumption in order to limit emissions of greenhouse gases and health-threatening pollutants. The courses are suited to the specific contexts of the countries in which Arval operates. Once again this year, they attracted an increasing number of clients.

In addition, **BNP Paribas Leasing Solutions France** offers its clients long-term leasing solutions for lorries running on natural gas. By allowing the replacement of vehicles running on conventional fuel, this offer provides access to a cleaner technology at a competitive price and a transparent total cost agreed in writing in the contract.

HELPING PRIVATE CUSTOMERS REDUCE THEIR ENERGY CONSUMPTION

In keeping with its commitments, the Group will develop the home energy efficiency improvement offer already available to its private customers, via dedicated products or partnerships with industrial players.

Domofinance

The joint subsidiary of EDF and BNP Paribas Personal Finance specialising in the financing of private customers' energy consumption management, granted over 43,000 loans in 2015 (including nearly 2,000 for photovoltaic installations, while the rest focused on energy renovation). Since its launch in 2003, Domofinance has thus granted over 484,000 loans and promoted the energy transition in France. The energy savings achieved in 2015 are equivalent to the total consumption of 43,300 households.

As energy efficiency renovations are difficult to implement in co-owned buildings, Domofinance also offers loans to co-owners' associations. These collective loans are secured by a guarantee in order to disassociate the co-owners in the event of one's default.

Platform to facilitate home energy renovation

Also in partnership with *Économie d'Énergie*, the Group launched the platform www.monprojetrenovation.com in 2015, enabling its customers and those of Hello bank! in France to carry out a self-diagnosis to estimate the energy efficiency of their homes, then improve it through renovations. An online financial simulator makes it possible to estimate the amount of subsidies available to customers, depending on their homes and profiles. Customers can build a financing plan for their renovation project including their personal contributions and the loans offered by BNP Paribas (renovation loans and interest-free eco-loans). Moreover, these customers can easily find qualified tradesmen for their projects on the website (direct access to the directory of tradesmen with the RGE environment-friendly certification).

THIRD-PARTY ASSET MANAGEMENT SUPPORTING THE ENERGY TRANSITION

In addition to its carbon risk management system (see Commitment 3: *A stringent management of environmental, social and governance risks*), BNP Paribas Investment Partners offers a diversified range of "green" funds: thematic funds, equities; best-in-class funds; low-carbon exchange-traded funds; and green bonds. At 30 September 2015, they represented EUR 18 billion in low-carbon assets, mainly invested in alternative energies and energy efficiency.

For instance, two savings funds enable retail customers to contribute to the development of companies having a positive impact on the environment:

- **BNP Paribas Immobilier Responsable:** SRI equity fund, invested in European companies striving to minimise their carbon footprints and the energy consumption of their real estate assets, managing water and waste in a responsible way and helping to improve the environmental quality of the buildings;
- **Parvest Global Environment:** SRI equity fund, invested in companies focused on renewable energy, energy efficiency, water treatment or waste management and environmental services. At end-December 2015, the fund had EUR 376 million in managed assets.

COMMITMENT 11: REDUCE THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS

Reducing the environmental footprint linked to our own operations mainly involves cutting greenhouse gas (GHG) emissions, using paper responsibly and improving waste management. The nature of its activities means that the Group is not a significant source of noise pollution or any other specific form of pollution.

To monitor the successful implementation of measures in these three areas with precise objectives, the CSR function pilots an environmental reporting system in 19 countries accounting for 87.1% of the full-time equivalent staff (FTEs) managed by the Group at 31 December 2015. In 2015, this system was extended to Brazil. Around 40 indicators are covered: kWh, m³ of gas, km travelled, litres of water, tonnes of paper, tonnes of waste, etc. The results are extrapolated across the entire Group, and are used to calculate the environmental data disclosed in this section. Following the 2014 reporting campaign, 66 entities benefited from feedback in figures on their consumption and objectives compared to those of the Group.

In 2015, 29 separate ISO 14001 certificates were in effect within the Group (+21% compared to 2014). This number makes BNP Paribas the world leader in the banking/insurance sector for environmental management systems. For example, the UK set itself an ambitious nationwide certification programme involving 74% of its workforce in 2015 (CIB, BP2S, IP, WM, Real Estate).

The campaign to raise awareness on eco-gestures was stepped up as part of the COP21 measures. It focuses on four topics: energy consumption, business travel, paper and waste. Numerous initiatives to raise awareness of these good practices were launched, involving all employees. For example, in Tunisia, UBCI got all of its staff involved in the set-up of an eco-responsible action programme to limit the bank's direct impacts on the environment.

The amount of provisions and guarantees covering environmental risks is USD 2.6 million. The provision is for private litigation and is not intended to cover penalties for non-compliance with regulations.

REDUCING GREENHOUSE GAS EMISSIONS (GHG)

In 2015, the Group's objective was to reduce GHG emissions per employee by 10% compared to 2012: i.e. to go from 3.21 to 2.89 tonnes of CO₂ equivalent per employee in 2015. Greenhouse gas emissions are measured by converting the energy consumed in buildings and employee business travel into tonnes of CO₂ equivalent (tCO₂-e, including all six greenhouse gases covered by the Kyoto protocol). In 2015, the Group emitted a total of 544,719 tCO₂-e, or 2.88 tCO₂-e/FTE, which represents a 10.3% reduction compared to 2012. **The 2015 objective of a 10% drop has thus been achieved.** The gains made in the 2012-2014 period were further consolidated in 2015.

72.6% of the emissions come from energy consumption in buildings and 27.4% from business travel. Three levers have been activated to reduce them: improving the energy efficiency of buildings and IT equipment and optimising business travel. In France and the UK, GHG programmes

have been set up to reduce these consumptions. **As part of its energy transition action plan, the Group has extended its commitment over the long term in order to achieve a 25% reduction of GHG emissions per employee by 2020 compared to 2012.** The global governance of this reduction programme will be put in place in 2016.

The Group's energy consumption was 1,529 GWh in 2015 with an average of 207 kWh/sq.m. compared to 210 kWh/sq.m. in 2014. This reduction is the result of numerous initiatives taken to optimise areas and their energy efficiency, combined with favourable climatic conditions in 2015 in most of the countries where the Group is present. In Algiers, for example, the subsidiary BNP Paribas El Djazaïr inaugurated Africa's first building with the High Environmental Quality (HQE) certification, while in France, the head office of BNP Paribas Securities Services –Les Grands Moulins de Pantin (Paris) – took part in the Cube 2020 competition to improve the building's energy efficiency with the employees. At the same time, renewable energy accounted for 16.5% of the buildings' energy consumption. This renewable energy either stems from the purchase of renewable energy certificates (66% of the electricity in the UK, 61% in Belgium, 49% in Italy, 47% in Luxembourg, 42% in Germany), or from the direct consumption of renewable energy produced by the Group's buildings: as part of Arval's ISO 14001 action plan in the Netherlands, photovoltaic panels were installed on the roof of the head office in Houten in March 2015. They produce 120 MWh of electricity per year.

In terms of **Green IT**, the Group looks to virtualise servers and work positions in order to share resources and reduce the associated electricity and cooling consumption. To further optimise ventilation, the servers are installed in cooled bays with confined cooled aisles. Thus, in France, the performance of the IT servers has increased 49% since September 2013, while at the same time electricity consumption has dropped 15%. Another example is that of the head office of BNP Paribas Real Estate in Issy-les-Moulineaux, which deployed an EcoFlex'IT solution, providing a more environment-friendly wiring and IT network architecture. After three years of use, the energy consumed by the IT network was reduced by a factor of four.

Business travel by Group employees is the other major source of GHG emissions. In 2015, a total of 956 million kilometres were travelled, i.e. 5,055 km per FTE (61.8% by air, 13.1% by rail, 25.1% by car), compared with 4,591 km per FTE in 2014, a 10.1% increase in km per FTE in one year. This increase, correlated with the Company's business activity, was managed by generalising webconferences, videoconferences and even telepresence. In addition, new, more restrictive travel policies were implemented to invite employees to use public transport rather than their company vehicles, or prefer economy to business class for air travel. In Belgium, since July 2012, one manager in five has opted for a green mobility pack: they either exchanged a parking space for a public transport pass, opted for a smaller vehicle, or gave up their company car. Moreover, numerous initiatives were launched to encourage commuting by bicycle in the Brussels region.

Adaptation to climate change is a subject addressed by the Group, notably in its Business Continuity Plan, which covers the management of extreme weather events and their consequences for the Group's sensitive infrastructure, especially its data centres. It is also addressed in the scientific research funded by the BNP Paribas Foundation within the framework of its "Climate Initiative" sponsorship programme (see commitment 12).

BNP Paribas' carbon management performance was evaluated by the CDP in 2015, resulting in a rating of A- for performance and 99/100 for the transparency and quality of its carbon reporting (compared to A- and 95 in 2014). The Group thus maintained its performance level and improved its transparency.

CONSUMING LESS PAPER AND USING RESPONSIBLY SOURCED PAPER

The target of a 15% reduction in paper consumption per employee in 2015 compared to 2012 was substantially exceeded: paper consumption totalled 25,293 tonnes in 2015, or 134 kg/FTE compared to 144 kg/FTE in 2014, representing a reduction of 6.9% compared to 2014 and 18.8% compared to 2012. These figures cover the paper used in-house, that used in customer relations (letters, bank statements, etc.) and other types of paper: envelopes, cheque books, etc. To extend this objective over the long term, **the Group has committed to a 30% reduction in its paper consumption per employee by 2020 compared to 2012**, i.e. going from 165 to 115 kg/FTE. Reduced usage is often achieved by replacing individual equipment with shared equipment, where users must go to the printer to confirm print instructions sent from their workstation, thereby avoiding documents being sent to print but never collected. In 2015, this new equipment was installed in entities such as BGZ in Poland, Leasing Solutions in Turkey and the UK, and CIB in Singapore and Hong Kong.

In addition, the paper policy aimed to bring to 60% in 2015 **the share of responsibly sourced paper** (from recycling or sustainably managed forests, i.e. more than 50% recycled or PEFC or FSC labelled) amongst that consumed internally. The percentage of responsibly sourced paper used internally went from 53.7% to 70.6% between 2014 and 2015. **This target was thus substantially exceeded** thanks to major improvements, particularly in Poland (27% in 2014 and 83.3% in 2015). **Under its new paper policy, the Group has undertaken to use 80% responsibly sourced paper by 2020.** More broadly, eco-designed office supplies represented 27.9% of total office supplies purchased in 2015, a significant increase compared to 2014 (21.7%).

REDUCING WASTE AND RECYCLING IT WHEREVER POSSIBLE

The Group is committed to reaching 55% of paper collected for recycling in 2015. This year, the Group generated 33,025 tonnes of waste, i.e. 175 kg per FTE (compared with 173 kg per FTE in 2013). Of this, 44.9% was subsequently recycled, compared with 38.9% in 2014. Certain initiatives have improved the recycling process: using the circular economy principle, the Saran printing platform saves one tonne of paper per month by recycling its old spools with its suppliers. Moreover, in Luxembourg, BGL obtained the SuperDrecksKesch© label for the reduction, recovery and disposal of waste in an ecological way.

Lastly, since 2011, the Group has set up a policy for dealing with its obsolete IT equipment (PCs, servers, screen, etc.) that manages the associated environmental and social risks. Its goal is to give them a second life (donations or resale) whenever possible, while ensuring their traceability. Dismantling is only considered as a last resort, with a focus placed on maximising the recycling rate. In line with this policy, BICIS in Senegal set up contracts to recycle Waste Electrical And Electronic Equipment and paper. Furthermore, in November 2015, the BNP Paribas Group Purchasing Department opted for the overall purchasing of ink cartridges remanufactured in France in order to reduce the environmental footprint of its waste.

COMBATING LOSS OF BIODIVERSITY AND MANAGING WATER CONSUMPTION

BNP Paribas helps to combat the loss of biodiversity in two ways:

- by taking measures to protect the biodiversity of the 23-hectare Domaine des Voisins park in Louveciennes (France). In 2015, its actions were reinforced: ecological continuity of the territory, flower meadows, choice of non-invasive and local plants, maintenance of natural nesting areas, leaving dead trees on the ground as refuges for biodiversity, etc.; 58 tree species are found in this park, and certain species are being reintroduced in accordance with the 1992 records;
- by opting for responsibly sourced paper (made from pulp derived from recycled paper or from sustainably managed forests – PEFC or FSC eco-labels), BNP Paribas helps to protect forest ecosystems and their biodiversity.

Controlling impacts on ecosystems also involves controlling water consumption, which was 31.22 m³ per FTE in 2015, compared with 22.6 m³ per FTE in 2014. This is achieved through the installation of meters to identify leaks, equipment to optimise flows in sanitary facilities, and the automatic stop of taps by detection of presence.

COMMITMENT 12: ADVANCE AWARENESS AND SHARING OF THE BEST ENVIRONMENTAL PRACTICES

AN INTERACTIVE E-BOOK TO RAISE AWARENESS ON THE ENERGY TRANSITION

In 2015, BNP Paribas launched an e-Book to make the topic of energy transition accessible to everyone, under the initiative of the Group's CSR Function and Economic Research Department in partnership with *LeWebPédagogique*. With five tangible innovations to combat climate disruption, this interactive e-Book focuses attention on the major challenges of the energy transition and suggests a few simple things that anyone can do to help protect the climate.

The e-Book is available in French and English. It can be downloaded free of charge for reading on an iPad, Android tablet or PC: <http://www.bnpparibas.com/actualites/bnp-paribas-lance-e-book-transition-energetique>

SUPPORT FOR RESEARCH AIMED AT COMBATING CLIMATE CHANGE

Under its "Climate Initiative" philanthropy programme with an overall budget of EUR 6 million, the BNP Paribas Foundation has supported 10 projects conducted by laboratories with an international profile, selected in two calls for projects launched in 2010 and 2014. These projects focus on the fundamental mechanisms of climate and also the impact of its current change under the influence of human activity. The projects currently supported (following the 2014 call for projects) are the following:

- INVACOST: study of the risk of invasion by certain species of insects due to climate change;
- SOCLIM: impacts of climate change on the Southern Ocean;
- APT: accelerated thawing of the permafrost and its impacts on the climate;
- FATES: study of past climates in order to adjust forecast models;
- CPATEMP: study of climate evolution and recently discovered biomarkers.

In 2015, the BNP Paribas Foundation made use of the research findings to increase public awareness of the implications of climate change, particularly in France during the COP21. Group employees, as well as the general public, were able to speak to the researchers directly during events such as:

- "The Oceans 2015 Initiative": in June 2015, in Unesco premises, researchers including Jean-Pierre Gattuso, supported by the Foundation, presented their collective study on the future of the oceans;
- the exhibition "Climat, l'expo 360°" at Universcience (Paris), for which the BNP Paribas Foundation was the sole sponsor: 600 m² dedicated to scientific research on climate. An exhibition with a global outreach: countries including Brazil, Senegal, Czech Republic and Hong Kong, to be followed by Algeria, Morocco, Poland and the United States;
- the SOCLIM conference open to Paris employees and the conference on the Subglacior project organised for employees in Hong Kong and Paris.

The Foundation also innovated in 2015 by supporting the first crowdfunding campaign launched by French scientists. Two projects were put forward to finance:

- "Educ'Arctique": an educational programme for Inuit Canadian pupils aged 13 to 17 on the thawing of the permafrost, conducted by Takuvik (Laval University);
- "66° Sentinelle de l'Océan Polaire": a sentinel robot able to go under the Antarctic ice, designed by the *Laboratoire d'Océanographie de Villefranche-sur-Mer*.

The BNP Paribas Foundation was also present at the COP21 with a stand in the "Blue Zone" (Bourget) reserved for international negotiators. On this occasion, it presented the update to the "Global Carbon Atlas": this application available in 6 languages, created by the teams of the *Laboratoire des Sciences du Climat et de l'Environnement* (CEA/CNRS/UVSQ) with the support of the BNP Paribas Foundation from 2010, gives researchers and the general public a global view of CO₂ emissions per country and per city. Other projects supported by the Foundation were also the focus of dedicated conferences during the COP21.

The implications of climate change were brought to the attention of nearly 70,000 people via the Foundation's programme and since its the launch. The Group has set itself the objective of doubling the number of people reached, to achieve a total of 140,000 people by 2018.

PARTICIPATION IN THINK TANKS AND COMMITMENT PLATFORMS ON THE LINKS BETWEEN THE ECONOMY AND THE ENVIRONMENT

Beyond its general CSR commitments (see our public positions in section 7.1), BNP Paribas supported numerous environmental commitment initiatives in 2015:

- Montreal Carbon Pledge (signed by BNP Paribas Investment Partners): measurement and publication of the carbon footprint of funds managed on behalf of third parties;
- Portfolio Decarbonization Coalition (joined by BNP Paribas Investment Partners): reduction of the carbon footprint of funds managed on behalf of third parties;
- French Business Climate Pledge: whereby French companies supported, on the eve of the COP21, the adoption of an ambitious agreement and promotion of a carbon price;
- Paris Pledge for Action: the signatories of which reassert their wish to see the limiting of the temperature rise to less than 2 degrees;
- Financial Duty and Climate Change Disclosure: standardised carbon reporting to facilitate investors' consideration of this data;
- Responsible Corporate Engagement: alignment of actions with the environmental strategy;

- Principles for Mainstreaming Climate Action within Financial Institutions: integrating climate issues in financial processes;
- EBRD/UNEP-FI "Financial Institutions' Declaration of Intent on Energy Efficiency": reinforcing actions to promote the financing of energy efficiency.

As a reminder, BNP Paribas has also been a signatory to the Principles for Responsible Investment (evaluation of environmental, social and governance (ESG) criteria in asset management) since 2006, the Equator Principles (evaluation of ESG criteria in project financing) since 2008, and the BEI Soft Commodities Compact (targeting zero net deforestation by 2020 through financing and investments, under the Banking Environment Initiative) since 2014.

Moreover, in 2015, BNP Paribas became a member of the following environment-focused organisations:

- Banking Environment Initiative: a platform for exchanges with other financial institutions on topics such as regulations, the circular economy and the development of innovative financial products and services;
- Mainstreaming Initiative: for the concrete implementation of the Principles for Mainstreaming Climate Action within Financial Institutions.

Note that BNP Paribas Investment Partners has been a member, since 2003, of the Investors Group on Climate Change (bringing together the world's major investors around climate issues), while BNP Paribas has been a member, since 2004, of Entreprises pour l'Environnement (French partner of the World Business Council for Sustainable Development whose Climate Change commission is chaired by the Group's Head of Environment and Extra-Financial Reporting); in addition, since 2011 BNP Paribas has been a member of the Roundtable on Sustainable Palm Oil (which oversees the main CSR certification available in the palm oil industry).

Moreover, BNP Paribas Real Estate is a member of the Green Building Council in several countries (Germany, France, UK and the Netherlands), and a founding member of the low-carbon building association BCCA.

7.6 Table of concordance with the list of social, environmental and community information required under article 225 of the Grenelle II Act

Information required by article 225 of the French Grenelle II Act, article R.225-105-1 of the French Commercial Code, and Decree No. 2012-557 of 24 April 2012.

	Corresponding page
1° SOCIAL INFORMATION	
a) Employment	
■ total headcount and breakdown by gender, age and geographical area	467-468
■ recruitment and redundancies	470
■ compensation and its evolution	471-472
b) Organisation of work	
■ organisation of working hours	470; 473
■ absenteeism	473
c) Employee relations	
■ employee-management dialogue, including procedures for informing staff, as well as consulting and negotiating with staff	471
■ collective agreements	471
d) Health and safety	
■ health and safety conditions at work	473-474
■ agreements with unions and staff representatives regarding health and safety at work	473
■ frequency and severity of accidents at work and occupational illnesses	473
e) Training	
■ training policies	475-477
■ total hours of training	476
f) Equal treatment	
■ measures to promote gender equality	463-465
■ measures to promote the employment and integration of disabled people	465-466
■ anti-discrimination policy	463-466
g) Promoting and complying with the fundamental conventions of the ILO relating to	
■ freedom of association and the right to collective bargaining	466; 471
■ the elimination of discrimination in respect of employment and occupation	463-466
■ the elimination of forced or compulsory labour	466
■ the abolition of child labour	466
2° ENVIRONMENTAL INFORMATION	
a) General policy on environmental issues	
■ organising the Company so as to take account of environmental issues and, where necessary, evaluation or certification procedures in the environmental area	440-443; 449; 451-453; 458-462; 490-497
■ employee training and information on environmental protection	462 (indirect impacts); 494 (direct impacts)
■ resources devoted to the prevention of environmental risks and pollution	458-462 (indirect impacts); 494-495 (direct impacts)

Table of concordance with the list of social, environmental and community information required under article 225 of the Grenelle II Act

	Corresponding page
■ the amount of provisions and guarantees for environmental risks, provided such information is not of a nature that could cause serious harm to the Company in an ongoing dispute	494
b) Pollution and waste management	
■ measures for preventing, reducing or repairing discharges into the air, water or soil with a serious impact on the environment	458-462 (indirect impacts); 494-495 (direct impacts)
■ measures for preventing, recycling or eliminating waste	495 (direct impacts)
■ factoring in noise pollution and any other form of pollution specific to an activity	Not relevant, see page 494
c) Sustainable use of resources	
■ water consumption and supply in accordance with local constraints	458-462 (indirect impacts); 495 (direct impacts)
■ consumption of raw materials and measures taken to improve the efficiency of their use	458-462 (indirect impacts); 495 (direct impacts)
■ consumption of energy, measures taken to improve energy efficiency and use of renewable energy	490-493 (indirect impacts); 494 (direct impacts)
■ land usage	458-462 (indirect impacts)
d) Climate change	
■ greenhouse gas emissions	458-462; 490-493 (indirect impacts); 494-495 (direct impacts); 496-497 (corporate philanthropy)
■ adaptation to the consequences of climate change	495 (direct impacts); 496-497 (corporate philanthropy)
e) Protection of biodiversity	
■ measures taken to preserve or develop biodiversity	458-462 (indirect impacts); 495 (direct impacts)
3° INFORMATION ON CORPORATE COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT	
a) Territorial, economic and social impact of the Company's activity	
■ in terms of employment and regional development	448-454; 479-483;
■ on local populations	448-454; 479-483; 485-486
b) Group relations with persons or organisations with interests in the companies' activities, notably associations working on social inclusion, educational institutions, environmental and consumer associations, and local residents	
■ conditions for dialogue with these persons or organisations	446-447; 484-486
■ partnership or philanthropy actions	486-489
c) Outsourcing and suppliers	
■ inclusion of social and environmental issues in purchasing policy	446; 458; 461
■ importance of outsourcing and consideration of social and environmental responsibility when dealing with suppliers and subcontractors	446; 458; 461
d) Fair commercial practice	
■ actions taken to prevent corruption	454-455
■ measures taken to foster consumers' health and safety	456
e) Other action taken, under this point 3, to foster human rights	483-486

7.7 Table of concordance with GRI 4, ISO 26000, UNEP-FI and the Principles of the United Nations Global Compact

2015 Registration document	Pages	Global Reporting Initiative V4 ^(*)	ISO 26000	UNEP-FI ^(*)	Principles of the UN Global Compact
OUR MISSION AND OUR VALUES					
Our mission	440	G4-1	5.2.2, 5.2.3, 6.2	1.1	
Our values, the BNP Paribas Way	440	G4-1, G4-56	5.2.2, 6.2	1.1, 1.4	
Our Corporate Social Responsibility strategy	441				
BNP Paribas' commitments as a responsible bank	441	G4-2	5.2.1, 5.2.2, 6.6.3, 6.6.4, 6.6.6	1.1, 2.6, 3.1,	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
CSR management indicators	442	G4-48, G4-51	4.3, 7.7.2, 7.7.3	2.6, 3.1	1, 6, 7, 8
BNP Paribas' public positions	445	G4-15	6.8.9, 7.3.3	3.6	1, 3, 6, 8
Progress acknowledged by extra-financial rating agencies	445		7.6.2		
CSR taken to the highest level in the organisation	446	G4-35, G4-36, G4-43	6.2.2	1.2	
Fostering dialogue with stakeholders	446	G4-26, G4-27	5.3.3, 7.5.4	3.3, 3.5	1, 9
OUR ECONOMIC RESPONSIBILITY: FINANCING THE ECONOMY IN AN ETHICAL MANNER					
Commitment 1 – Positive impact financing and investments	448				
Increase in loans	448	G4-EC1	6.8.7	1.3, 1.4	
High-Value Impact Deals	449	FS-7, FS-8	6.8.9	1.3, 1.4, 1.5	1, 6, 8, 10
Financing infrastructures	449	FS-7, FS-8	6.8.7, 6.8.9	1.3	
Partnerships with development institutions	449	FS-7, FS-8	6.8.7	1.3	
Social entrepreneurship	450		6.8.7, 6.7.9	2.7	
Designing and promoting Socially Responsible Investment (SRI) funds	451	FS-11	6.7.3, 6.7.9	2.7	1, 9
Impact measurement	452		7.3.1	2.3, 2.6	
Tailored advice and support	454		6.3.7, 6.7.3, 6.7.9	3.3	6
Commitment 2 – The best ethical standards					
The best ethical standards	454	G4-14, G4-37, G4-56, G4-57, G4-58, G4-S04	4.7, 6.6.3, 6.6.4, 6.6.6, 6.6.7	1.2, 1.4, 1.5	10
Client interests	456	G4-PR3, G4-PR5	6.6.7, 6.7.3, 6.7.4, 6.7.6, 6.7.7	3.2	10
Ethics at the heart of supplier relations	456	G4-LA15	5.2.1, 6.6.3, 6.7.3	3.3	10

2015 Registration document	Pages	Global Reporting Initiative V4^(*)	ISO 26000	UNEP-FI^(**)	Principles of the UN Global Compact
Commitment 3 – A stringent management of environmental, social and governance risks	458				
Financing and investment policies for the Group's activities in sectors with significant ESG issues	459	G4-EC2, G4-EC8, G4-EN27, G4-HR1	4.4, 4.6, 6.2, 6.3.4, 6.3.5, 6.6.3, 6.8.7	1.3, 2.1, 2.2, 2.3, 2.4, 2.7, 3.2, 3.3	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
Upholding the Equator Principles on project financing	460	G4-EC8, G4-EN27, G4-HR9	6.6.7	2.2, 2.3, 2.6, 2.7	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
Specific process to assess ESG risks in our products and services	460	G4-14, G4-EN27	6.3.5, 6.7.4, 6.7.5	2.3	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
Management and monitoring tools for our ESG risks	461	G4-14, G4-EN17, G4-HR1	6.3.5, 6.4.7, 6.7.4, 6.7.5	2.3	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
OUR SOCIAL RESPONSIBILITY: PROMOTING EMPLOYEE DEVELOPMENT AND COMMITMENT					
Leadership for Change	462		6.2.3, 6.4.7		
Listening to employees through the Global People Survey	463		5.3.3		
Commitment 4: Promoting diversity and inclusion	463				
A measure ensuring global commitment	463		6.4.3	1.4, 3.3	
Actions, visible results and broader topics	464	G4-10, G4-LA1, G4-LA12	6.4.3, 6.6.6		1
Internal and external recognition reasserted	465		5.3.3		
Ongoing awareness-raising of our employees and customers	465		5.5.5, 6.6.6	1.4, 3.3	1
Promoting the employment and insertion of people with disabilities	465		6.3.10.2	1.5	6
Promoting and complying with the Fundamental Conventions of the International Labour Organization on Human Rights	466	G4-HR4	6.3.10	1.5, 2.2	1, 2
Commitment 5: Good place to work and responsible employment management	467				
Change in the workforce	467	G4-10	6.4.3		
Recruitment	469	G4-LA12, G4-LA13	6.4.3		
Changes in headcounts	470	GA-LA1, G4-LA3	6.4.4		
Organisation of working hours	470	G4-LA3	6.4.4		
Quality social dialogue	471	G4-11, G4-LA8	5.3.3, 6.4.3, 6.3.10, 6.4.5	3.3	3
A competitive compensation policy	471	G4-52	6.4.3, 6.4.4		
Focus on people	473	G4-LA6	6.4.3, 6.4.4	1.4	6
Commitment 6: Learning company offering dynamic career management	475				
Career management	475	G4-LA11	6.4.7		6
Training policy	475	G4-LA9, G4-LA10	6.4.7		1, 8
Mobility	477		6.4.3, 6.4.7		

(*) Managerial approach defined in the GRI G4 guidelines; EC: Economy; EN: Environment; PR: Product responsibility; LA: Labour practices; HR: Human rights; SO: Social aspects FS: Impact of products and services.

(**) Statement by Financial Institutions on the Environment and Sustainable Development, May 1997.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Table of concordance with GRI 4, ISO 26000, UNEP-FI and the Principles of the United Nations Global Compact

2015 Registration document	Pages	Global Reporting Initiative V4 ^(*)	ISO 26000	UNEP-FI ^(**)	Principles of the UN Global Compact
CIVIC RESPONSIBILITY: A COMMITTED PARTICIPANT IN SOCIETY					
Commitment 7 – Products and services accessible to as many people as possible	479				
Group support for microfinance	479	FS-14	6.8.9.2	2.7	
Access to financing and insurance	480	FS-14	6.7.8, 6.8.6	2.7	
Providing assistance to customers at risk	481	FS-14	6.7.4, 6.7.8	2.7	
Financial education/improving financial education for consumers	481	FS-7, FS-14	6.6.6, 6.7.9	3.3	10
Commitment 8: Combating social exclusion and promoting respect for Human rights	482				
Combating social exclusion	482	FS-14	6.8.3, 6.8.4	1.4, 1.5	6
Evaluating and managing Human rights risks	483	G4-14, G4-HR1	6.3.3, 6.3.4, 6.3.5	1.5, 2.3, 2.7	1, 2, 3, 4, 5, 6
Commitment 9 – A corporate philanthropy policy promoting culture, solidarity and the environment	486				
A structured and inclusive philanthropy policy	486	G4-EC1	6.8.3, 6.8.4, 6.8.9	1.4	
Committed employees showing solidarity	486		6.4.7, 6.8.3	1.4, 3.3	
ENVIRONMENTAL RESPONSIBILITY: COMBATING CLIMATE CHANGE					
Commitment 10 – Supporting our customers in the transition to a low-carbon economy	490				
Supporting the energy sector in its transition	490	G4-EN17	6.5.3, 6.5.4, 6.5.5, 6.6.6, 6.7.5	2.4	7, 8, 9
Helping companies improve the energy efficiency of their buildings and travel	492	G4-EN17	6.5.3, 6.5.4, 6.5.5, 6.6.6, 6.7.5	2.4, 3.2	7, 8, 9
Helping consumers reduce their energy consumption	493	G4-EN17	6.5.3, 6.5.4, 6.5.5, 6.6.6, 6.7.5	2.4	7, 8, 9
Third-party asset management supporting the energy transition	493	FS11	6.5.4, 6.5.5, 6.6.6, 6.7.5	2.4	7, 8, 9
Commitment 11 – The reduction in environmental footprint linked to our own operations	494		4.3, 6.5.4, 7.7.2, 7.7.4, 7.7.5		
Reducing greenhouse gas emissions (GHG)	494	FS1, FS2, G4-EN3, G4-EN4, G4-EN6, G4-EN7, G4-EN15, G4-EN16, G4-EN19, G4-EN26	6.5.3, 6.5.4, 6.5.5, 6.7.5	2.4, 2.6, 3.1	7, 9
Consuming less paper and using responsibly sourced paper	495	FS1, FS2, EN7, G4-EN26	6.5.3, 6.5.4, 6.5.5	2.4, 2.6, 3.1	7, 9
Reducing waste and recycling it wherever possible	495	FS1, FS2, EN7, G4-EN26	6.5.3, 6.5.4, 6.5.5	2.4, 2.6, 3.1	7, 9
Combating loss of biodiversity and managing water consumption	495	FS1, FS2, G4-EN7, G4-EN8, G4-EN11, G4-EN26	6.5.4, 6.5.5, 6.5.6	2.4, 2.6, 3.1	7, 9

2015 Registration document	Pages	Global Reporting Initiative V4^(*)	ISO 26000	UNEP-FI^(**)	Principles of the UN Global Compact
Commitment 12 – Increasing knowledge and sharing the best environmental practices	496				
Support for research aimed at combating climate change	496	6.5.5, 6.6.6, 6.8.6, 6.8.9		2.1	9
Participation in think tanks and commitment platforms on the links between the economy and the environment	496	6.5.5, 6.6.6, 6.8.6, 6.8.9		2.1	8, 9
APPENDICES					
Grenelle II concordance table	498				
Statutory Auditors' opinion	504				

(*) Managerial approach defined in the GRI G4 guidelines; EC: Economy; EN: Environment; PR: Product responsibility; LA: Labour practices; HR: Human rights; SO: Social aspects FS: Impact of products and services.

(**) Statement by Financial Institutions on the Environment and Sustainable Development, May 1997.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated environmental, labour and social information presented in the management report

7.8 Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated environmental, labour and social information presented in the management report of BNP Paribas SA

For the year ended 31 December 2015

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

BNP Paribas SA
16 boulevard des Italiens
75009 Paris

To the Shareholders,

In our capacity as Statutory Auditor of BNP Paribas SA, appointed as an independent third party and certified by COFRAC under number 3-1060⁽¹⁾, we hereby report to you on the consolidated environmental, labour and social information for the year ended 31 December 2015, presented in the management report (hereinafter the "CSR Information") in accordance with article L.225-102-1 of the French Commercial Code (*Code de commerce*).

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for preparing BNP Paribas SA's management report including CSR Information in accordance with the provisions of article R.225-105-1 of the French Commercial Code and with the environmental, social, and societal reporting protocols used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from BNP Paribas' Corporate Social Responsibility Department.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French code of ethics governing the audit profession and the provisions of article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable legal and regulatory texts.

⁽¹⁾ Whose scope can be consulted at <http://www.cofrac.fr>.

RESPONSIBILITY OF THE STATUTORY AUDITOR

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Statement of completeness of CSR Information);
- express limited assurance that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of six people between October 2015 and February 2016 and took around six weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed our work in accordance with the professional auditing standards applicable in France, with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement and, for the reasoned opinion on fairness, with ISAE 3000⁽¹⁾.

1. STATEMENT OF COMPLETENESS OF CSR INFORMATION

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we reviewed the Company's sustainable development strategy with respect to the labour and environmental impact of its activities and its social commitments and, where applicable, any initiatives or programmes it has implemented as a result.

We compared the CSR Information presented in the management report with the list provided for by article R.225-105-1 of the French Commercial Code.

For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the entities it controls as defined by article L.233-3 of the French Commercial Code, within the limitations set out in the introduction of section 7.3 of the Registration Document for labour information and in section 7.5 of the Registration Document for environmental information ("Commitment 11: Reduce the environmental impact of our operations").

Conclusion

Based on this work and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and scope of our work

We conducted around 20 interviews with the people responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility and taking into account best practices where appropriate;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CSR Information, and review the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the labour and environmental challenges of its activities, its sustainable development policy and good market practice.

With regard to the CSR Information that we considered to be the most important, identified in this report:

- at parent entity level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organisation, policy, action), and we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in concordance with the other information in the management report;
- at the level of a representative sample of entities selected by us⁽²⁾ on the basis of their activity, contribution to the consolidated indicators, location and a risk analysis, we conducted interviews to ensure that procedures are followed correctly and to identify any undisclosed data, and we performed tests of detail, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents on average 34% of headcount and between 31% and 84% of the quantitative environmental data presented.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

(2) The selected entities are:

- BNP Paribas SA for labour indicators; ITP IMEX for building energy consumption in France; ITP ARF for data regarding business travel and paper purchases in France and in other countries using the Group's suppliers for business travel;
- BNP Paribas New York Branch (USA), BNP Paribas Montréal (Canada), BNL (Italy) and TEB (Turkey) for labour and environmental indicators.

A RESPONSIBLE BANK: INFORMATION ON THE ECONOMIC, SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY OF BNP PARIBAS

Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated environmental, labour and social information presented in the management report

For other consolidated CSR Information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other

limitations intrinsic to the operation of information and internal control systems, we cannot provide absolute assurance that the CSR Information disclosed is free of material misstatement.

Conclusion

Based on this work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Neuilly-sur-Seine, 9 March 2016

One of the Statutory Auditors of BNP Paribas SA

PricewaterhouseCoopers Audit

Étienne Boris

Partner

Sylvain Lambert

Partner Sustainable Development Department

APPENDIX: LIST OF INFORMATION THAT WE CONSIDERED TO BE THE MOST IMPORTANT

Quantitative labour Information

- Total headcount at 31 December 2015, broken down by age, gender, and region, proportion of fixed-term employees and permanent employees;
- New permanent employees (broken down by region) and reasons for departure of permanent employees;
- Rate of absenteeism and maternity/paternity leave;
- Number of collective agreements signed during the year;
- Gender equality – Women in senior managing positions (SMP);
- Number of employees with disabilities and number of new hires with disabilities in 2015;
- Number of training hours and number of employees trained.

Qualitative labour Information

- Organisation of social dialogue ("Quality social dialogue");
- Workplace health and safety conditions ("Commitment 5: A good place to work and responsible employment management");
- Training policies applied ("Commitment 6: A learning company supporting dynamic career management");
- Anti-discrimination policy ("Commitment 4: Promotion of diversity and inclusion in the workplace").

Quantitative environmental Information

- Energy consumption by source (electricity, natural gas, domestic fuel, district heating and cooling);
- Business travel by train, air and road;
- Greenhouse gas emissions (scopes I, II and III);
- Paper consumption and eco-friendly paper consumption.

Qualitative environmental Information

- Environmental consequences of the Company's investments ("Commitment 10: Partnering with our clients in the transition to a low-carbon economy");
- General environmental policy and efforts made by the Company to take account of environmental issues ("Commitment 11: Reduce the environmental impact of our operations");
- Waste prevention, recycling and elimination ("Reducing waste and recycling it wherever possible").

Qualitative social Information

- Territorial, economic and social impact of the Company's activity and sustainable financing for the economy ("Commitment 1: Investments and financing with a Positive impact" and "Commitment 7: Products and services that are widely accessible");
- Relations with the people and organisations concerned by the Company's activity;
- Partnership and corporate philanthropy initiatives ("A structured and inclusive philanthropy policy");
- Subcontractors and suppliers ("Ethics at the heart of supplier relations" and "Integration of ESG criteria into supply chain management");
- Actions in support of human rights ("Commitment 8: Combat social exclusion and support Human rights").

