

# THE BNP PARIBAS CHARTER

OUR MISSION  
OUR RESPONSIBILITY  
April 2015



**BNP PARIBAS**

The bank  
for a changing  
world

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

## Our economic responsibility

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

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

**Retail Banking & Services**, whose task is basically to channel all customer deposits into lending activities, consists of two main divisions:

Domestic Markets covers retail banking activities in the euro zone. These are made up of local multichannel networks – branches, business centres, private banking centres and digital banking – and specialised financial services, including online brokerage and investment, plus office and equipment leasing and rental services designed to support trade and industry both in France and abroad.

International Financial Services covers retail banking outside the euro zone. They include banking services for individual customers and companies, private banking and digital banking, plus complementary business lines providing innovative products and services in the fields of consumer credit, insurance, asset management, wealth management and real estate, both for their own clients and those of other Group businesses.

**Corporate and Institutional Banking** helps to finance the real economy by providing a range of services and solutions to corporate and institutional clients. The CIB approach is to forge long-term partnerships with its clients, supporting their business development needs all over the world through both bank financing and the capital markets, and through risk management and advisory services. CIB also offers cash management services, based on industrialised, cross-business platforms, plus securities services via BNP Paribas Securities Services.

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

In order to carry out these various missions in a context of sharply increasing regulatory requirements, BNP Paribas more than doubled its capital base between 2008 and 2014 and further strengthened its liquidity position. The Group also retains and reinvests a large part of its profits each year so as to continue strengthening its financial position and meet customer demand for credit, while also delivering good returns to the shareholders who place their confidence in the bank.

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

Financing the economy, supporting projects, helping clients to manage their currency or interest-rate exposure – all this means accepting a degree of risk. One of BNP Paribas' great strengths is precisely this expertise in managing risk. The Group sees rigorous risk control as part of its responsibility, both to clients and to the financial system as a whole. The bank's decisions on the commitments it makes are reached after a rigorous and concerted process, based on a strong, shared risk culture which pervades all levels of the Group. This is true both for risks linked to lending activities, where loans are granted only after in-depth analysis of the borrower's situation and the project to be financed; and for market risks arising from transactions with clients – these are assessed on a daily basis, tested against stress scenarios, and subject to limits.

As a strongly diversified Group, both in terms of geography and businesses, BNP Paribas is able to balance risks and their consequences as they materialise. The Group is organised and managed in such a way that any difficulties arising in one business area will not jeopardise another.

### Following a strict ethical code

Compliance with rules and following a strict ethical code are as important to BNP Paribas as rigorous risk control. The Group refuses to work with any client or organisation that is involved in fraud, corruption or illicit dealings. This determination also of course includes obeying the law and complying with the regulations of countries in which we do business. However, the Group's internal rules, not least the Code of Conduct that applies to every employee, can be even more demanding. BNP Paribas set up a Compliance department a long time ago. The Head of Compliance is a member of the Group Executive Committee and Compliance staff numbers have been steadily increasing so that today the department is over 2,000 strong.

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

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

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

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

## Our social responsibility, civic responsibility and environmental responsibility

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

**Social responsibility** means treating the Group's 187,000 employees in a fair and loyal manner, and engaging in serious and meaningful dialogue with staff and union representatives. BNP Paribas recruits and trains over 15,000 new staff each year. The Group has made a strong, conscious commitment to fostering diversity in all its forms, including setting targets for promoting women. BNP Paribas' employment policy includes prioritising redeployment of existing staff through internal job mobility and training. We recognise that we have a particular responsibility in our four 'domestic' markets, where our size and range of activities have always enabled us to avoid forced redundancies thanks to an innovative approach to planning staff departures.

**Civic responsibility** means helping to combat social exclusion and promoting education and culture. The Group has a strong stake in society, through initiatives and projects which take its banking role one step further for the good of society: special assistance for underprivileged neighbourhoods and sensitive areas; microcredit; and support for charitable organisations and social economy enterprises. Our investment in microfinance and social entrepreneurship is rising constantly, already passing the milestone of €200 million. Our civic engagement is also manifested in the corporate philanthropy work of the BNP Paribas Foundation, whose charity initiatives encompass social inclusion, arts & culture, and research. An annual budget of nearly €40 million is allocated to its activities. These include the BNP Paribas Rescue & Recover Fund, which partners with three humanitarian NGOs. Last but not least, our business lines and branch networks organise financial literacy programmes in order to give as many citizens as possible a better grasp of money matters.

**Environmental responsibility** means paying particular attention to the impacts on the environment that arise from our banking activities around the world. BNP Paribas has drawn up detailed criteria relating to financing and investing in sensitive fields of industry and trade, including power generation and forestry. In addition, the Group has set clear targets for reducing the environmental impact of its own day-to-day operations, including reducing paper consumption by 15% per employee within three years. Lastly, the Group supports, through the BNP Paribas Foundation, research programmes that aim to expand understanding of the causes of climate change and help deal with the consequences.

BNP Paribas has set numerical targets in all these various areas of responsibility. Part of the long-term compensation package of managers at the Group is linked to achieving these targets.

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

Jean Lemierre  
Chairman



Jean-Laurent Bonnafé  
Chief Executive Officer





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