



BNP Paribas: our Mission, our Responsibility



You expect your banker to respect basic principles concerning service and ethics. Today we would like to explain in greater detail these principles, which guide our actions as a responsible bank in Luxembourg and in countries where the BNP Paribas Group is present.

As a client of BGL BNP Paribas, our commitments relate directly to you, and they are:

- **Remaining true to our primary mission: long-term service to our clients**
- **Being prepared to take risks, while ensuring close risk control**
- **Following a strict business ethic**
- **Being a responsible bank**

We are delighted to share with you these values and our vision of the bank, a driver in the local economy for the benefit of its clients. Please refer to our charter in the following pages.

Carlo Thill
Chairman of the Management Board

Eric Martin
Chairman of the Management Board
Country Head



The BNP Paribas Group is the product of successive bank mergers which first began to make their mark on European economic history back in the 19th century. Driven by a strong tradition of service provided to individual people and businesses alike, and deeply rooted in our various countries of origin, BNP Paribas is at the same time the bank for a changing world. **BNP Paribas' number one asset is the confidence that our clients place in us, which has been built up over time. We, as management, lead and steer the Group in accordance with the basic commitments that are essential if we are to deserve that trust and confidence.**

1/ REMAINING TRUE TO OUR PRIMARY MISSION: LONG-TERM SERVICE TO OUR CLIENTS

BNP Paribas' primary vocation is to serve our clients, creating long-term relationships and helping them to fulfil their plans and projects. On the one hand, we are there to help ordinary people manage their finances and savings on a day-to-day basis and on the other we are the banking partner of choice for many companies of all sizes, and for institutional clients.



BNP Paribas is active in three major areas of banking and our people in these three areas work together on a daily basis with one major goal in mind: the success of our clients.

- **Retail Banking** which represents over 50% of the Group's business, provides banking services close to the customer, via multichannel networks—comprising physical branches, Internet and Mobile banking – which are strongly rooted in the local markets, with staff who possess in-depth knowledge of the local culture and the local economy. BNP Paribas' Retail Banking division channels all funds deposited by customers into its lending activities, providing loans and credit lines to people, companies, non-profit bodies and other borrowers. The Group also provides a range of specialised retail banking services designed to serve the needs of commerce and industry, such as consumer credit, office and equipment leasing and fleet lease services.

- **Corporate & Investment Banking (CIB)**, which accounts for around 1/3 of Group turnover, does business all over the world. BNP Paribas CIB aims to be a long-term strategic partner to its clients, who range from major corporations to small or medium-sized businesses and include insurance companies, governments, banks and investment companies. Our CIB division works with clients both in the daily management of their finances and cash flow and on their longer-term strategy and development plans. CIB meets their financing needs – including via the capital markets – and their capital investment and risk management requirements, in addition to providing advisory services.

- **Investment Solutions**, which is present in 60 countries, consists of a range of complementary business lines including insurance, wealth management, real estate services and technical services for investors. The Investment Solutions division develops innovative products and services for clients of the other Group businesses but also possesses its own distribution channels.

In order to be able to carry out these various missions in a context of sharply rising regulatory capital requirements, BNP Paribas doubled its capital base between 2009 and 2012. While fulfilling our duty to deliver regular returns to our shareholders, the Bank nevertheless retains and reinvests the major part of its profits each year so as to strengthen an already solid financial position and increase our capacity to meet customer demand for credit. ■

2/ BEING PREPARED TO TAKE RISKS, WHILE ENSURING CLOSE RISK CONTROL

Financing the economy, supporting projects, helping clients to manage their currency or interest rate exposure - all this means accepting a degree of risk. One of BNP Paribas' great strengths is precisely this expertise in managing risk.

The Group believes that tight risk control is its clear responsibility, whether in relation to its clients or to the financial system as a whole. The Bank's decisions on the commitments it makes are reached after a rigorous and concerted process, based on a strong shared risk culture which is present across 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, which are assessed on a daily basis, tested against stress scenarios and subject to a scale of limits.

As a strongly diversified Group, both in terms of geography and businesses, BNP Paribas is able to balance risks and outcomes as soon as they materialise. The Group is organised and managed in such a way that any difficulties arising in one business area will not jeopardise the Bank's other business activities. ■

3/ FOLLOWING A STRICT BUSINESS ETHIC

At BNP Paribas, loyalty to our clients is a fundamental principle. Each and every one of the Group's employees strives wholeheartedly to help our clients achieve success, taking care of their interests while protecting those of the Bank. Savings, loans, insurance, payment systems - whatever the product, no BNP Paribas staff member would ever offer a customer a product knowing that the transaction would not be in his/her true interests.

BNP Paribas will 'go the extra mile', taking a supportive attitude to clients if they should ever get into difficulties and looking to the future beyond the current crisis. The Group plays a strong role in the economies of a number of countries and sees itself as having a special role in our 'domestic' markets - France, Belgium, Italy and Luxembourg.

The Group measures Customer Satisfaction across all business lines and we regularly adjust our Quality

policy to ensure that our ratings remain high in this area. Nevertheless, as the saying goes: "to err is human". A bank is composed of men and women who strive to do their jobs as well as possible but who may of course sometimes make mistakes. When this happens, BNP Paribas is prepared to admit its errors and seeks to remedy any unfavourable consequences for the client.

BNP Paribas' business ethic is also demonstrated in our unwillingness to work with any client or organisation that is involved in fraud, corruption or illicit dealings. Accordingly, BNP Paribas has withdrawn from all locations designated. ■





4/ BEING A RESPONSIBLE BANK

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, working to finance clients' projects. In addition, BNP Paribas recognises that it has responsibilities in three other areas:

- **Employer responsibility:** this means treating the Group's 190,000 employees in a fair and loyal manner and engaging in serious and meaningful dialogue with staff union representatives. BNP Paribas recruits and trains some tens of thousands of new staff each year, several thousand of these in France. The Group has made a strong conscious decision to foster diversity in all its forms, including setting precise objectives for promoting women. BNP Paribas' employment policy includes prioritising 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 and our innovative labour relations policies have always enabled us to avoid any forced redundancies.

- **Civic responsibility,** 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 marginalised areas, microcredit, support for charitable organisations and social economy enterprises. Our civic engagement is also manifested in the corporate philanthropy work done by the BNP Paribas Foundation, whose charity initiatives include educational, cultural and public health projects. An overall annual budget higher than €25 million is devoted to these activities, half of this to social projects and education.

- **Environmental responsibility:** BNP Paribas takes great care over the environmental impact resulting from its banking activities all over the world. The Group has drawn up and implemented detailed policies relating both to its day-to-day functioning and to sensitive fields of industry, and supports environmental initiatives through the BNP Paribas Foundation.

Motivated by the values of commitment, ambition, creativity and responsiveness, managed in accordance with a clear set of management principles – Client Focus, Risk-Aware Entrepreneurship, People Care and Lead by Example – and inspired to the highest business ethic by the Group's code of conduct, BNP Paribas people strive each day to ensure successful outcomes for all those who place their trust in the Bank and for the good of society. We are proud to be a responsible bank and we take great pride in our profession. That's our vision for the bank. ■



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| The bank for a changing world