

# BNP PARIBAS AND THE EXERCISE OF ITS CSR

2022



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# AGENDA

01

BNP Paribas Group

02

CSR fully embedded  
within the Group strategy  
& positive appraisal from stakeholders

03

2022-25 Strategic Plan

04

CSR Governance

05

CSR 4 Pillars



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# BNP Paribas Group

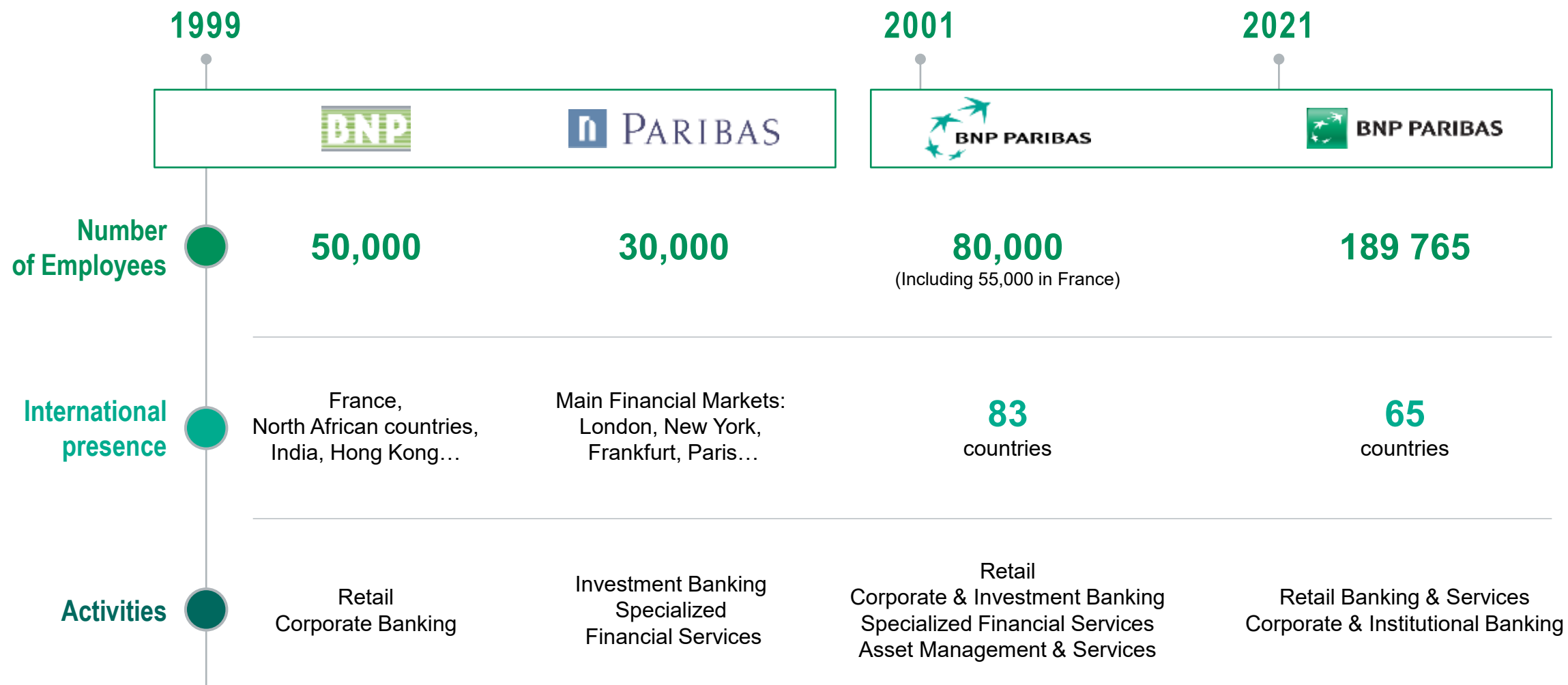
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# BNP Paribas Group story



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# Organisation of the Operating Divisions



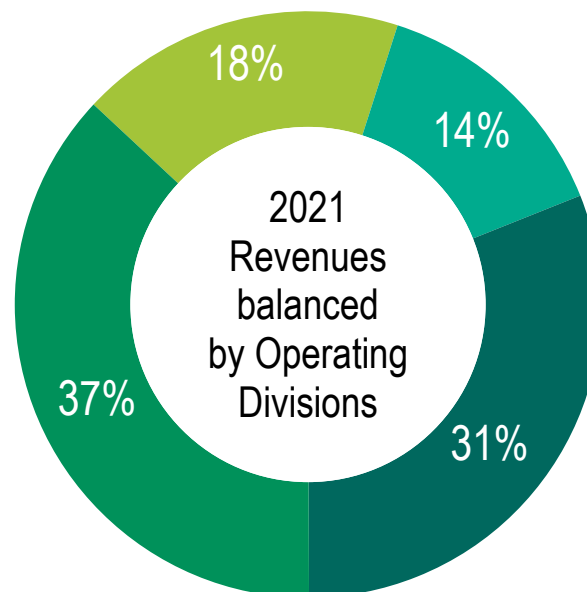
**COMMERCIAL,  
PERSONAL  
BANKING &  
SERVICES (55%)**

## **SPECIALISED BUSINESSES**

- Arval & Leasing Solutions
- BNP Paribas Personal Finance
- New Digital Businesses

## **COMMERCIAL, PERSONAL BANKING**

- France, Belgium, Italy (BNL bc), Luxembourg
- Europe-Mediterranean
- United States



## **INVESTMENT & PROTECTION SERVICES**

- BNP Paribas Cardif
- Wealth Management
- BNP Paribas Asset Management
- BNP Paribas Real Estate

## **CIB**

- Global Banking
- Global Markets
- Securities Services



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# Commercial, Personal Banking & Services



More than **110,000 employees**



**30 million customers**

## Leading position in a dynamic corporate market

- **Network banks** that take a comprehensive and broad approach to the needs of customers in connection with all the businesses of the Group
- **Strong businesses** with growth prospects at the core of the integrated model (#1 in cash management in Europe for large corporates)
- European Leaser of the Year
- **Personal Finance:** major European player in consumer credit and a presence in around 30 countries

## Strong positions in Private Banking

- **Best private bank** in France, Belgium and Italy
- **Assets under management** increasing by **8%** compared to 2020



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# Investment & Protection Services



Close to **18,000 employees** in **59 countries**



Strong positions in the **Asia-Pacific region** and the Americas, which are key development regions for the Group

## Enhanced leading positions at the core of the integrated market

- **Europe-Mediterranean:** integrated retail and commercial banking model developed in 7 countries, >15 million clients
- **BNP Paribas Cardif:** world leader in creditor insurance with a presence in 33 countries
- **BNP Paribas Wealth Management:** leading private bank in the world and best private bank in Europe (Private International Banker)
- **Asset Management:** a global asset manager and leader in terms of sustainable finance, ranking #9 in the Global Top 10 Responsible Investment Brand Index 2021 – RIBI



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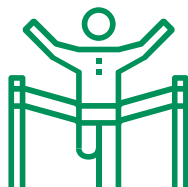
# Corporate and Institutional Banking

## LOCAL SOLUTIONS FOR GLOBAL ACTIVITIES



Close to **36,000 employees**  
in **55 countries**

- A powerful client-driven business model centered on two client franchises: corporate and institutional
- First-class core products and services
  - Global leadership in Financing
  - A European powerhouse in Capital Markets
  - A world leader in Derivatives
  - Reinforcement of Prime Brokerage
  - A dynamic Advisory franchise in Europe and Asia
- A confirmed leadership in Europe
- 31% of Group's revenues



### 2021 Awards

- Global Adviser of the Year in project finance (Project Finance International);
- Bank for Sustainable Finance (International Financing Review);
- Bond House (International Financing Review);
- EMEA Loan House (International Financing Review);
- Western Europe's Best Bank on sustainable finance & capital markets (Euromoney)
- World's best transaction bank (Global Finance magazine)
- Best Bank for Sustainable Finance (Euromoney Global Awards for Excellence 2021)
- Best Bank for ESG Data and Technology (Euromoney Global Awards for Excellence 2021)



### 2021 Rankings

- N°1 for Global Banking activities with large companies in Europe
- N°1 on all bond issues in the EMEA zone.
- N°1 on syndicated loans in the EMEA zone.
- Sustainable Bonds: n°1 on EMEA and n°2 worldwide.
- Green bonds: n°1 on EMEA and n°2 worldwide.
- World Best Bank for Sustainable Finance (renewed for 2022)



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# 2022 Ukraine crisis: a limited presence but an exceptional mobilisation for its clients and employees

Group's presence in Ukraine and Russia is limited. BNP Paribas Group is present in Ukraine, through its subsidiary UkrSibbank which includes close to 5,000 employees.

The group has done everything within its power to provide for the support and safety of its employees in Ukraine, where the group operates through UkrSibbank in partnership with the EBRD.

## Hosting, volunteering, helping: BNP Paribas employees are getting involved

- Psychological support hotlines have been set up for employees and their family in Ukraine
- hotline in neighboring countries
- Housing more than 1,700 persons among our Ukrainian colleagues and their families with ongoing efforts by Ukraine's neighbouring countries
- **Poland:** the bank has reserved 7 hotels with 120 rooms to accommodate refugees.
- **Volunteering:** actions range from hosting refugees to transporting passengers, making basic kits and contributing to the Group's endowment funds
- Germany, Poland and France: between 2 and 5 days given to volunteer and help Ukrainian refugees.

## Support for customers during the crisis

- Suppression of fees for **money transfers to Ukraine**
- **Cash withdrawals** are a free of charge for Ukrainian at all BNP Paribas Group ATMs.
- Simplification of **bank account opening** in France, Luxembourg, Germany and Poland for Ukrainian refugees
- **NiCKEL** now accepts Ukrainian passports for opening an account in France, Spain and Belgium.

## Commitments to civil society

- **Arval** has lent vehicles to various NGOs in Poland and Hungary to transport goods.
- **€10 million** was committed to the UN High Commissioner for Refugees, the International Committee of the Red Cross and "Médecins Sans Frontières"
- Early April 2022, **€3 million** to support Ukrainian employees who came to Poland and to associations helping refugees in Ukraine, Poland and also in France.
- **€3.5 million** has been collected, to date, through the Group's Rescue & Recover Fund thanks to donations from employees and customers



**CSR fully embedded  
within the Group strategy  
& positive appraisal from  
stakeholders**

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# BNP Paribas “company purpose”

## BNP Paribas has formalized a “company purpose”

Elaborated under guidance from the  
BNP Paribas Executive Committee

Approved by  
the Board of Directors

Based on BNP Paribas' Shared  
convictions, the Group Code of  
Conduct and the Engagement  
Manifesto

Communicated to all employees  
in January 2020 and available  
externally

“BNP Paribas' mission is to contribute  
to **responsible and sustainable growth** by financing  
the economy and advising clients according  
to the highest ethical standards”



- The Group offers secure, sound and innovative financial solutions to individuals, professional clients, corporates and institutional investors while striving to **address the fundamental challenges of today with regard to the environment, local development and social inclusion**
- BNP Paribas employees aim to **deliver services that have purpose and relevance for clients and the world around them**
- The Group innovates in order to be a **leader in sustainable finance**
- BNP Paribas is developing the tools to **measure our environmental and social impact**



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# A committed bank: 4 Pillars and 12 Commitments

Commitments firmly aligned with the UN Sustainable Development Goals



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# Our key CSR indicators

At the end of 2021, 8 of the 9 indicators are in line with the target

		CSR Indicator	2018 Baseline	2019	2020	2021	2021 Target
Economic Responsibility	1	Amount of financing and investments to companies of sectors considered as contributing directly to the achievement of UN SDGs	€ 168 Bn	€ 180 Bn	€ 188 Bn	€ 244 Bn	Increase by € 10 Bn / year in average over the 2019-2021 period
	2	Percentage of employees trained on an ethics-related issue	96.2 %	95.4 %	97 %	98.7%	Maintain > 95%
Social Responsibility	3	Percentage of women among the SMP (Senior Management Position) population	28 %	29 %	31 %	32%	> 31 %
	4	Percentage of entities with more than 1,000 employees having taken a commitment as regards disability	91 %	94 %	100 %	100%	100 %
	5	Percentage of employees having been trained at least twice over the year	91.8 %	94.8 %	90.2 %	98.3%	Maintain > 90 %
Civic Responsibility	6	Number of solidarity hours performed by the employees	305 000 hours	> 450 000 hours	> 510 000 hours	509 000 hours	1 million hours
	7	Support (financing, investment for the account of third parties) to associations and Social and Solidarity Economy enterprises	€ 5.6 Bn	€ 6.2 Bn	€ 6.3 Bn	€ 6.8 Bn	€ 6.3 Bn
Environmental Responsibility	8	Financing for renewable energies	€ 15.4 Bn	€ 15.9 Bn	€ 17.8 Bn	€ 18.6 Bn	€ 18 Bn
	9	Greenhouse gas emissions in CO2 teq / FTE (kWh buildings + professional travels)	2.45 CO2 teq / FTE	2.32 CO2 teq / FTE	1.85 CO2 teq / FTE	1.50 CO2 teq / FTE	2.31 CO2 teq / FTE

## Group Sustainability and Incentive Scheme:

20% of more than 7,000 key employees' deferred variable compensation relies on the performance of the 9 CSR performance indicators



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# An increasing ESG dialogue with external stakeholders



**Maintain long-term relationships with stakeholders, by:**

Responding reactively to enquiries

Anticipating needs and requests and communicating information proactively (e.g. newsletter sent regularly to investors and analysts, Etc.)



## Dialogue with activist NGOs

- **A continuous increase of the exchanges in 2021** (+10% compared to 2020 and + 43% compared to 2019 )
- Main subjects of discussion: **climate /environment, Oil & Gas, Human Rights**

## Dialogue with investors on ESG

- **33 different SRI investors met** at least once in 2021
- **Increasing interest from mainstream investors**





# Positive appraisal of BNP Paribas' CSR strategy and achievements by extra-financial rating agencies

## Main extra-financial ratings

**No.1 out of 31 companies** in “diversified banks in Europe” industry and **#16 of 4,888 companies** rated worldwide in **Moody's ESG Solutions<sup>1</sup> 2021 rating (71/100)** as of December 2021)

**S&P Global**

Corporate Sustainability Assessment (CSA)<sup>2</sup>

BNP Paribas secured an overall score of **84/100** at its rating by **S&P CSA** in November 2022

BNP Paribas received a score of **AA** in **MSCI ESG Ratings** (September 2021)



In **top 10%** and among “**Industry Leaders**” of **ISS ESG Corporate Rating** in the “Commercial Banks & Capital Markets” sector (**C+ Prime** as of November 2021)

BNP Paribas received a score of **A-** to the **Carbon Disclosure Project** rating (December 2021)

**ecovadis**

BNP Paribas secured an overall score of **72/100** at its rating by **EcoVadis** in July 2021 and positions itself in the **top 4 %** of assessed companies

## Presence in the sustainable indexes

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

BNP Paribas is listed in the **Dow Jones Sustainability Indices World & Europe** (Nov 2021)



BNP Paribas is listed in **Euronext-Vigeo Eiris indexes** World 120, Europe 120, Eurozone 120, France 20 (May 2021)



## Other rankings and CSR prizes



BNP Paribas among the **2022 “Global 100 Most Sustainable Corporations”** ranking (76<sup>th</sup>) as **1<sup>st</sup> French** and **fifth European bank**



**Sustainability Award**  
**Bronze Class 2022**

**S&P Global**

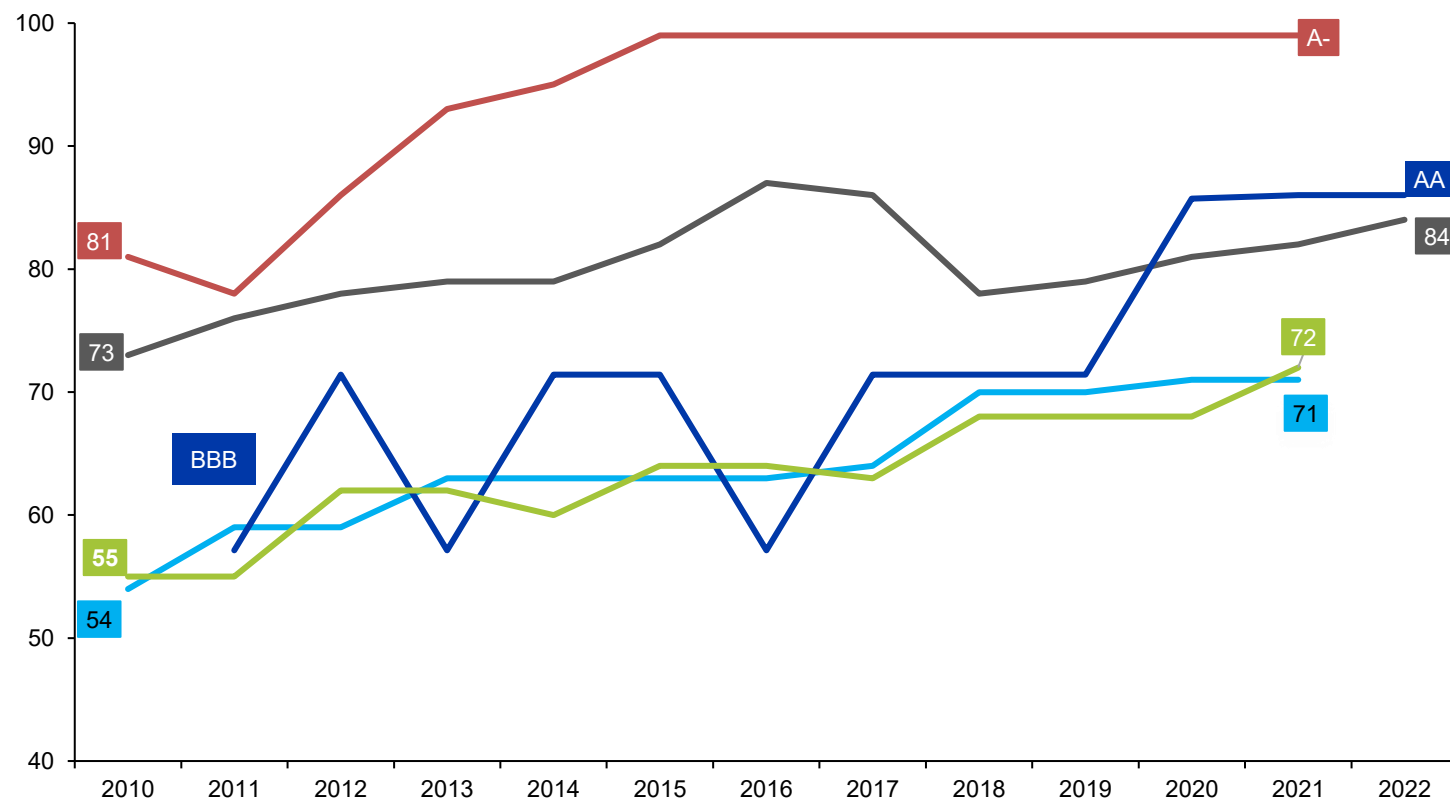
<sup>1</sup> Formerly VE, <sup>2</sup> Formerly SAM



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# BNP Paribas' CSR strategy recognised by extra-financial agencies



<sup>1</sup> Methodology change: from 2017, CDP scores are now expressed in the form of letters, <sup>2</sup> Formerly SAM <sup>3</sup> Formerly Vigeo Eiris V.E



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# Active involvement in framing the ESG future



Group CEO  
**Jean-Laurent Bonnafé**

sits on the **Leadership Council**  
of the **UNEP FI**



**Laurence Pessez**

Global Head of CSR, sits on  
the Banking Board of the **UNEP-  
FI Principles for Responsible  
Banking** (PRB)

Vice-chair of the European think  
tank **Institute for Sustainable  
Development and  
International Relations**  
(IDDRI)



**Jane Ambachtsheer**

Global Head of Sustainability of  
BNP Paribas Asset Management,  
is a member of the **Task Force  
on Climate-related Financial  
Disclosure** (TCFD)



**Sébastien Soleille**

Global Head of Energy  
Transition and Environment,  
is a member of the **Task  
Force for Nature-related  
Financial Disclosure** (TNFD)



# 2022-25 Strategic Plan

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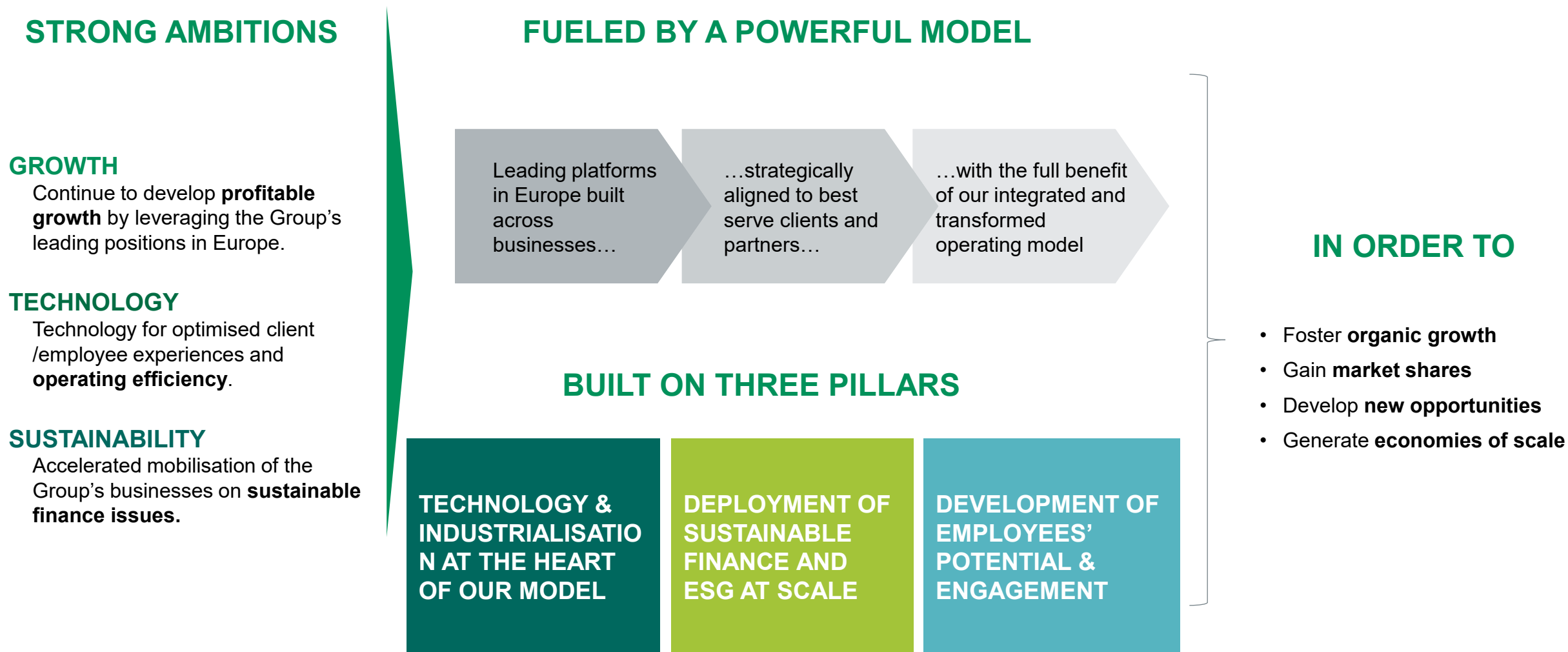


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# 22-25 strategic plan: Sustainability at the heart of the plan



# 2022-2025 strategic plan: new CSR indicators with commitments by 2025

Pillar	No.	Indicator	2025 Objective
Our economic responsibility	1	Amount of sustainable loans <sup>1</sup>	EUR 150 billion EUR 200 billion EUR 300 billion
	2	Amount of sustainable bonds <sup>2</sup>	
	3	Amount of sustainable investment and savings (assets under management of article 8 & 9 SFDR funds)	
Our social responsibility	4	Share of women among the SMP population (Senior Management Position)	40% 1 million hours (over two rolling years) 90%
	5	Number of solidarity hours performed by employees (#1MillionHours2Help)	
	6	Proportion of employees who completed at least four training courses during the previous twelve months	
Our civic responsibility	7	Number of beneficiaries of products and services supporting financial inclusion	6 million beneficiaries
Our environmental responsibility	8	Amount of support for our clients in the transition to a low-carbon economy	EUR 200 billion EUR 4 billion 1.85 teqCO <sub>2</sub> /FTE
	9	Amount of financing to companies contributing to protect terrestrial and marine biodiversity <sup>3</sup>	
	10	Greenhouse gas emissions in tons of CO <sub>2</sub> equivalent (tCO <sub>2</sub> eq) / full-time employees (buildings kWh, including IT, + business trips)	

## Group Sustainability and Incentive Scheme:

20% of more than 7,000 key employees' deferred variable compensation relies on the performance of the 10 CSR performance indicators

<sup>1</sup> Cumulative amount of 2022-2025 sustainable loans related to environmental and social issues, originated by BNP Paribas and granted to its customers.

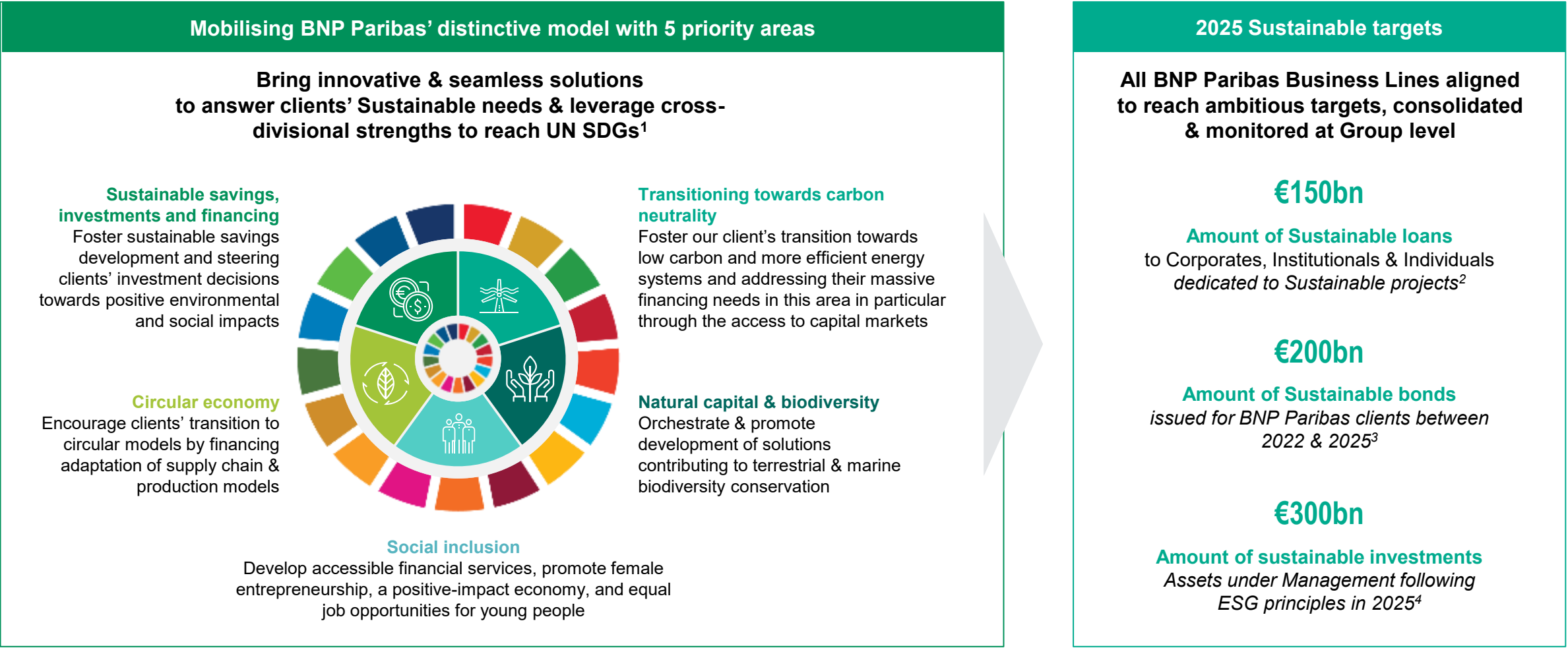
<sup>2</sup> Cumulative amount of all types of 2022-2025 sustainability bonds (total amount divided by the number of bookrunners). <sup>3</sup> Credits and obligations contributing to the protection of terrestrial and marine biodiversity.



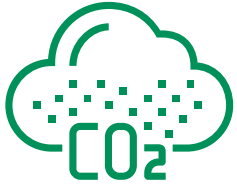
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# 22-25 strategic plan: Engaging with clients to support them in the transition towards a sustainable economy



# 22-25 strategic plan: Accelerating on the implementation of our commitments



Aligning our portfolios with our carbon neutrality commitment

- Trajectory for a **reduction in CO2 emissions corresponding to financing** of the sectors with the highest levels of emissions (NZBA)
- **Aligning the objectives of our business lines** with shared objectives by sectors taking into account client transition
  - **Alignment report published\*** on **May 3<sup>rd</sup> 2022**
  - **Publication of financed emissions** (scope 3) in late 2022



Engaging with clients to support them in the transition towards a sustainable and low-carbon economy

- **Mobilisation of the integrated model and all business lines** in support of clients
- **Low Carbon Transition Group**, an organisation of 250 professionals dedicated to support clients in accelerating their transition
- **Pooling and promoting the Group's technical expertise** via NEST, the in-house network of experts



Strengthening steering tools, processes and set-ups

- Sustainable finance training provided to each employee thanks to the **Sustainability Academy**
- **Accelerated industrialisation and strengthened governance** directly supervised by the CEO
- **Steering tools to support evolving needs** (of clients and regulators) and standards

➢ **Priorities that are deeply embedded in the specific objectives of each of our businesses**



\*[https://cdn-group.bnpparibas.com/uploads/file/bnpp\\_climateanalytics\\_alignmentreport\\_final.pdf](https://cdn-group.bnpparibas.com/uploads/file/bnpp_climateanalytics_alignmentreport_final.pdf)



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# CSR Governance

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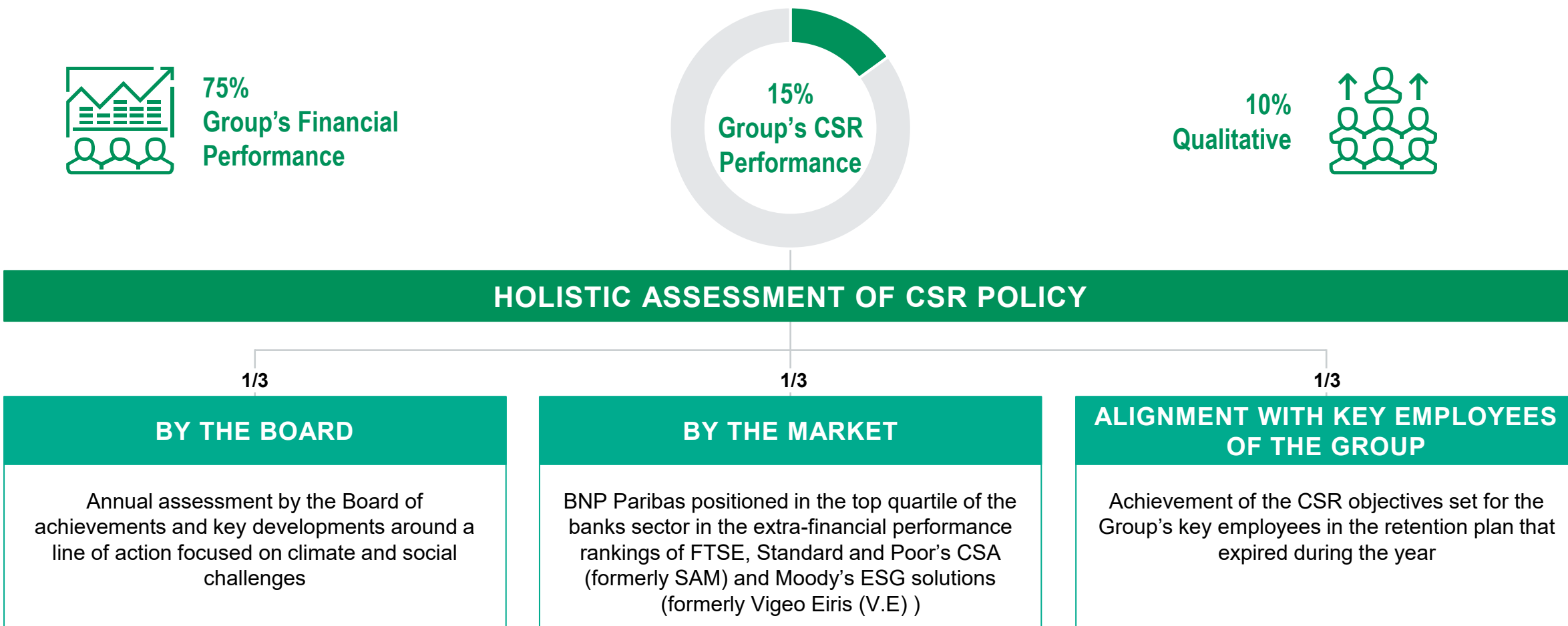


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# Best practices in Governance

## Rules for determining the annual variable remuneration of executive corporate officers for 2021



# Best practices in governance

## GOVERNANCE SUPPORTING BNP PARIBAS' LONG-TERM STRATEGY

### Best practice in Governance are stated in a public document

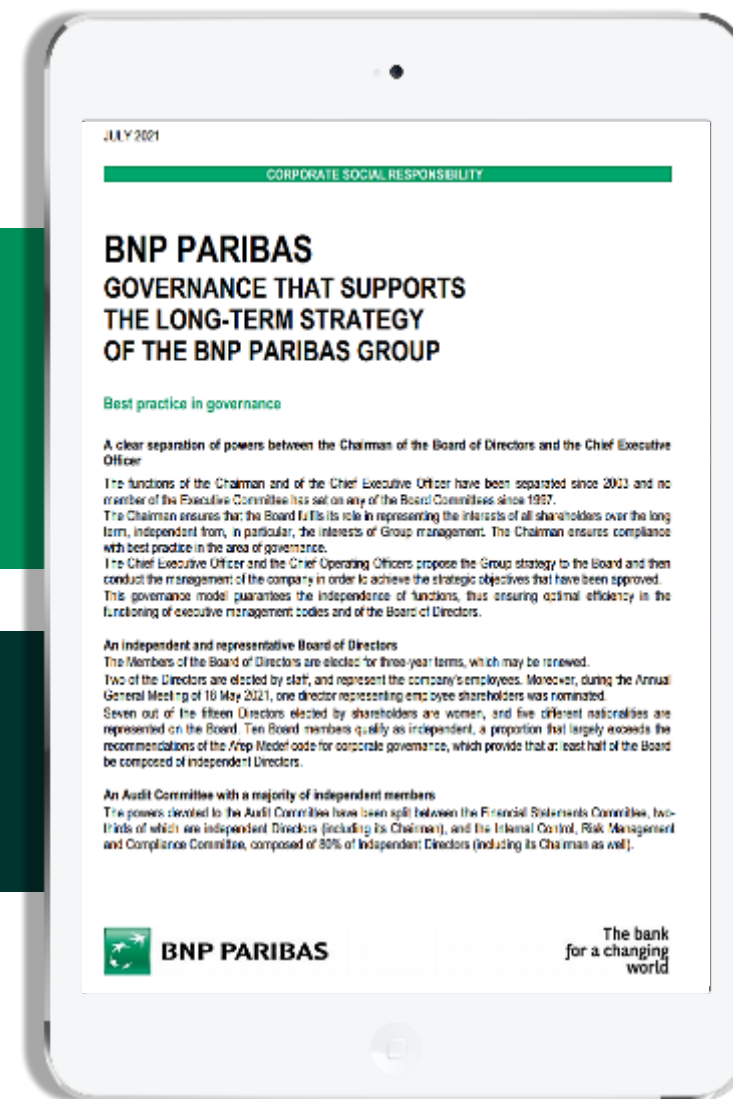
- Clear separation of powers between the Chairman of the Board of Directors and the Chief Executive Officer
- An independent and representative Board of Directors
- An Audit Committee with a majority of independent members
- Voting rights that guarantee protection of the interests of all shareholders

### Compensation policy that integrates the long-term interests of BNP Paribas Group

- Transparency and controls on executive bonuses
- Transparency and controls on the bonuses for employees identified as "Material Risk Takers"
- Integration of CSR criteria in the variable remuneration

Link to the document :

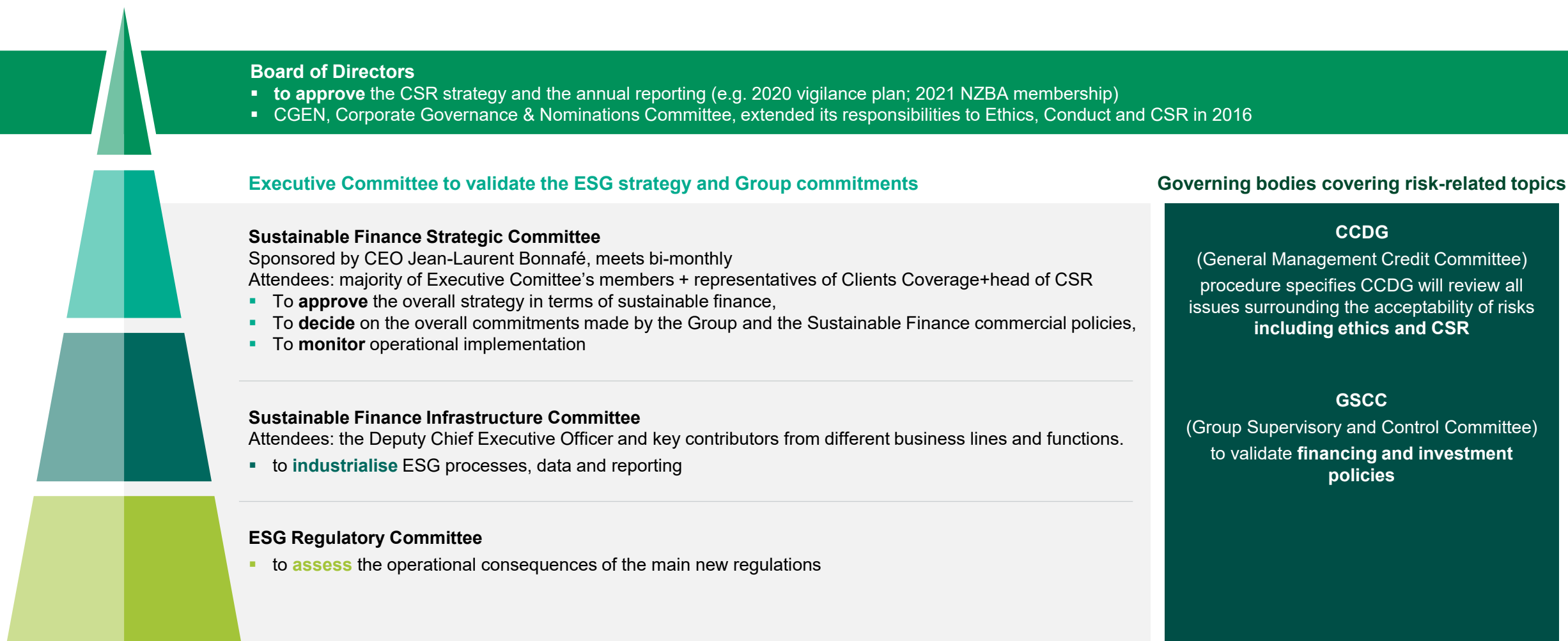
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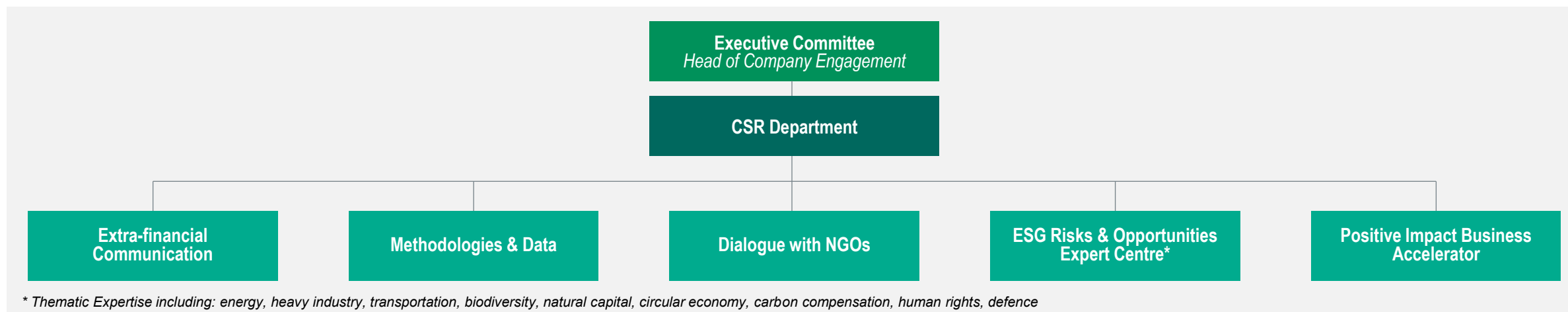
# A comprehensive sustainability Governance





# Strengthening of the CSR function

As of **1<sup>st</sup> September 2017**, CSR is overviewed by the new **Company Engagement Department** directly represented on the Group's Executive Committee, and working with all business lines. The company's engagement strategy is presented in BNP Paribas' [2020 Engagement Manifesto](#)



- A dedicated department is responsible for managing the Bank's CSR commitments, represented in the Group Executive Committee (around **24 FTEs** at end 2021)
- A broad network of CSR correspondents within the Business Divisions, Subsidiaries, Functional departments and strategic geographical areas (over **220 FTEs** spend all or a majority of their time on CSR matters within BNP Paribas)
- ... and an internal network of **≈ 440 experts** (Environment, SRI, Microfinance and Financing and Investment policies)



# Strong public commitments (1/3)

## Participation in key industry initiatives



United Nations Global Compact (2003)



Principles for Responsible Investment (PRI) – BNP Paribas Asset Management (2006), BNP Real Estate Investment Management (2012), BNP Paribas Securities Services and BNP Paribas Cardif (2016), BNP Paribas Capital Partners (2020)



Institutional Investors on Climate Change – IIGCC (2007)



Equator Principles (2008)



United Nations Women's Empowerment Principles (2011)



Roundtable on Sustainable Palm Oil (2011)



International Capital Market Association: Green Bond Principles (Pr.), Social Bond Pr., Sustainability-Linked Bond Pr., Sustainability Bond Guidelines



Loan Market Association: Green Loan Pr., Social Loan Pr., Sustainability-Linked Loan Pr.



Global Impact Investing Network (2014)



ILO Business Charter on Disability (2016)



Science Based Target initiative (2016)



Taskforce on Climate-related Financial Disclosures (2017)



Act4Nature (2018/2021)



UN Principles for Responsible Banking (2019)



Net-Zero Banking Alliance, Net-Zero Asset Owner Alliance - UNEP FI -, Net-Zero Asset Managers Initiative (2021)



Taskforce on Nature-related Financial Disclosures (2021)



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## Strong public commitments (2/3)

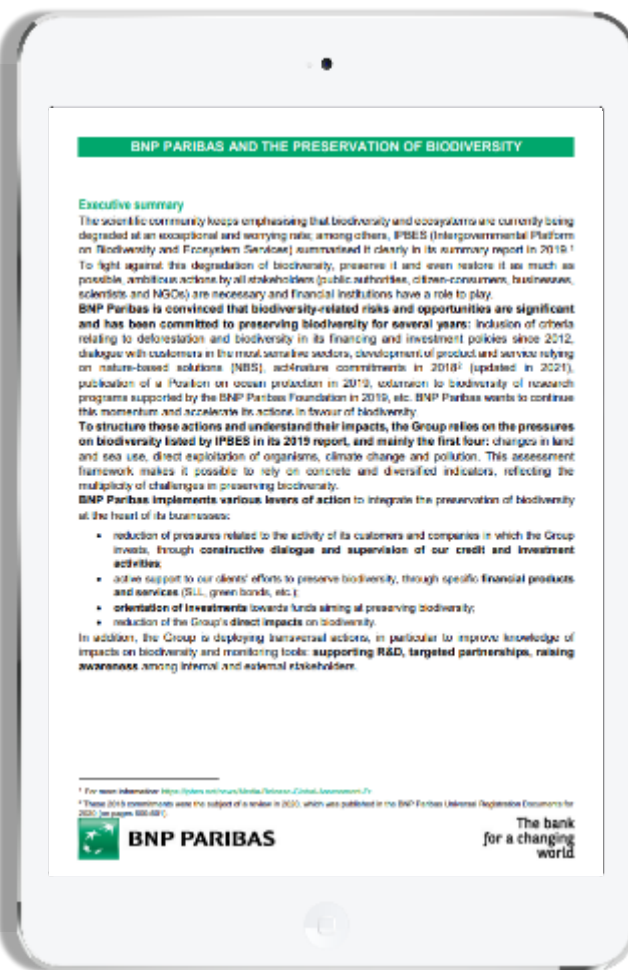
### BNP Paribas signing the UN Principles for Responsible Banking and Collective Commitment to Climate Action

- September 2019 at the New York Climate Week: BNP Paribas signed the **UN Principles for Responsible Banking (PRB)** and joined UNEP FI's **Collective Commitment to Climate Action (CCCA)**
- UN PRB were first developed in 2018 by a core group of **30 Founding Banks including BNP Paribas**, through an innovative global partnership with UNEP FI
- They now count 275 **signatories from 49 countries**, representing over 45% of the banking assets worldwide, which committed to align their business strategies with the UN SDGs and the Paris Climate Agreement
- Additionally, 31 signatory banks including BNP Paribas have endorsed the **Collective Commitment to Climate Action** in September 2019 to align their portfolios with a low-carbon and climate-resilient economy so as to limit global warming to well-below 2° C, striving for 1.5° C
- In 2020, Laurence Pessez - Global Head of CSR - was elected to the **UN PRB Banking Board**.
  - The board oversees the effective implementation of the Principles for Responsible Banking and the Banking Membership's contribution to the achievement of UNEP FI's overall strategic objectives
- A "**Civil Society Advisory Body**" was created in March 2021, which is composed of 12 organisations each representing a region, key sustainability topic and key stakeholder group
  - It aims to provide a unique forum for meaningful and constructive engagement between civil society and the PRB signatories
- In 2022, BNP Paribas published its second **UN PRB report** detailing the Group's implementation of the Principles



# Strong public commitments (3/3)

## BNP Paribas specific public commitments



- **CSR sector policies governing financing and investments \***  
(Date of publication/Last update)
  - Defence (2010/2017)
  - Palm oil (2010/2017)
  - Wood pulp (2011)
  - Nuclear power (2012/2013)
  - Agriculture (2015/2021)
  - Mining (2013/2020)
  - Coal-fired power generation (2011/2020)
  - Oil & Gas (2017/2022)
- **Goods and activities on exclusion list**  
regularly updated
- **Charter for responsible representation with respect to the public authorities**  
(2012)
- **BNP Paribas Declaration on Human Rights**  
(2012)
- **BNP Paribas Commitments to the environment**  
(2017)
- **Sustainable Sourcing Charter for BNP Paribas Suppliers**  
(updated in 2018)
- **BNP Paribas Responsible Business Principles**  
(2018)
- **Group public positions**
  - Exclusion of Tobacco companies (2017)
  - Position on Ocean Protection (2019)
  - Position on Biodiversity (2021)

\* See a description of each policy in the appendix, page 136



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# CSR 4 Pillars

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# Financing the economy in an ethical manner



Investments  
and financing  
with positive impact



Ethics of the highest  
standard



Robust management  
of Environmental, Social  
and Governance risks  
(ESG)

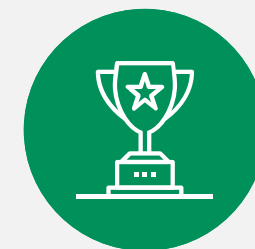


# Our economic responsibility



## 2021 Highlights

- BNP Paribas committed to a carbon neutral economy by 2050 by signing the Net Zero Banking Alliance (NZBA), the Net Zero Asset Owner Alliance (NZAOA, signed by BNP Paribas Cardif) and the Net Zero Asset Managers initiative (NZAMi, signed by BNP Paribas Asset Management)
- The Group has committed to reducing its credit exposure to oil and gas exploration and production activities by 12% between 2020 and 2025 and by -25% on oil specifically on the same period.
- BNP Paribas underwrote EUR 23.4 billion in Sustainability-Linked Loans with large corporate clients;
- The 11<sup>th</sup> social impact bond structured by BNP Paribas was signed with a project with Médecins du Monde and key role in the 1<sup>st</sup> development impact bond commissioned by the French Government
- EUR 450 million are allocated to proprietary investments in favour of the environmental transition, natural capital, local development and social impact including EUR 250 million in innovation and EUR 200 million of impact investments
- The ESG analysis of counterparties is being deepened thanks to a new risk assessment tool, the ESG Assessment. By 2023, 100% of the Group's large corporate clients will have been analysed in 5 areas: climate, pollution and biodiversity, workers' rights, the rights of local communities and consumers, governance and business ethics



2022 “**World’s Best Bank for Sustainable Finance**” by Euromoney, the leading publication in international finance

2021 “**Investment Bank of the Year**” award in the category **Sustainable SSA\* Financing**, organised by the magazine The Banker

BNP Paribas is ranked 1<sup>st</sup> French bank and 7<sup>th</sup> European bank in the “Global 100 Most Sustainable Corporations 2022”

The Group is the 2<sup>nd</sup> global player in the sustainable bond market according to Dealogic, with EUR 46.1 billion as bookrunner for its clients



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# Financing the economy in an ethical manner



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Investments  
and financing  
with positive impact



Ethics of the highest  
standard



Robust management  
of Environmental, Social  
and Governance risks  
(ESG)



# Our contribution to the UN SDGs

## Partnerships, financing and investment activities contributing to attaining the SDGs

- Monitoring of a yearly **dedicated CSR performance indicator**:

- KPI: “Amount of corporate financing contributing to the energy transition and to sectors considered as contributing directly to the achievement of UN SDGs”
- At end-2021, EUR 244 billion contributed to the energy transition and the achievement of UN SDGs (compared to EUR 188 billion in 2020)



- **Financing and investments having a positive impact on society and the environment:**

- Financing to economic sectors that are identified for their **positive overall contribution to the SDGs** such as non-profit, social, education, health, waste management, public transport and renewable energies.
- **Sustainability-Linked Loans (SLL)**: BNP Paribas is the fourth global player with EUR 23.4 billion in 2021, i.e. 2.5 times more than the EUR 9.4 billion in 2020,.
- **Sustainability-linked bonds**: in 2021, BNP Paribas was joint bookrunner of the bond issued by the UK government for £10 billion with a term of 12 years (SDGs 7, 11, 13, 15). This issue is the largest sustainable sovereign bond issue. In 2021, BNP Paribas is the world leader in the SLB market with a total amount of sustainable bonds of EUR 5.4 billion;.
- **Specific products for institutional and retail investors**:
  - End 2021, BNP Paribas managed EUR 220 billion in assets that included ESG criteria in open-ended funds in Europe (article 8 or 9)
  - Since 2013, the Group has launched 29 ethical indices, raising more than EUR 7.9 billion. At the end of 2021 ESG indices assets amounted to 5.3 billion euros.
  - A ESG thematic ETF range increasingly aligned with SDGs principles:
    - Since 2008, BNP Paribas Easy Low Carbon 100 Europe PAB UCITS ETF => SDGs 7, 8, 9, 13
    - Since 2019, BNP Paribas Easy ECPI Circular Economy Leaders UCITS ETF => SDGs 6, 7, 11, 12, 13
    - Since 2020, BNP Paribas Easy ECPI Global ESG Infrastructure UCITS ETF => SDGs 3, 4, 6, 7, 9, 11
    - Since 2020, BNP Paribas Easy ECPI Global ESG Blue Economy UCITS ETF => SDGs 7, 9, 13, 14
    - Since 2022, BNP Paribas Easy ECPI Global ESG Hydrogen Economy => SDGs 7
    - Since 2022, BNP Paribas Easy ECPI Global ESG Med Tech => SDGs 3



# Longstanding support for social and solidarity-based economy

## Vision

SSE

**Social and solidarity-based economy (SSE)**

**Social entrepreneurship + not-for-profit organisations  
and other non-public entities with general interest purpose**

**LEADERSHIP POSITION IN FINANCING ASSOCIATIONS**

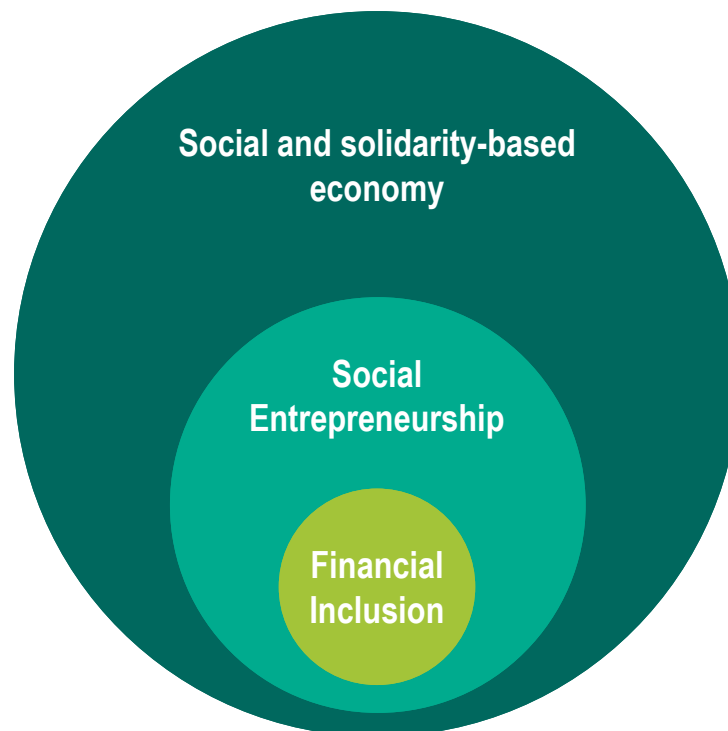
SE

**Social Entrepreneurship (SE)**

**Combining a positive social or  
environmental impact with a viable  
business model**

- Explicit social mandate
- Social performance comes before financial performance
- Most of the benefits are reinvested in the company
- Regardless of a specific legal status

**GROWING MARKET UNDERSERVED  
BY « TRADITIONAL BANKS »**



FI

**Financial Inclusion**

**Unlocking development opportunities,  
especially for the poor, by expanding  
access to affordable and responsible  
financial services**

**BNP PARIBAS HAS BEEN A WELL-  
KNOWN PLAYER FOR YEARS**



**BNP PARIBAS**

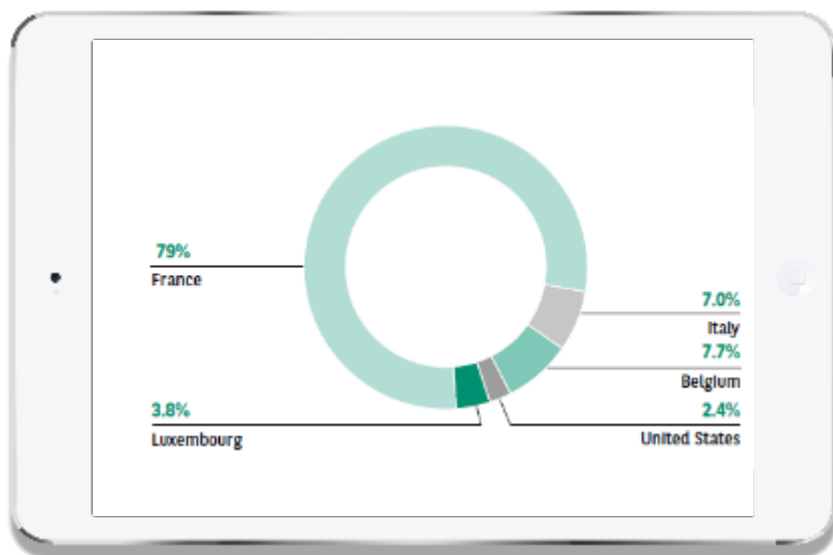
The bank for a changing world



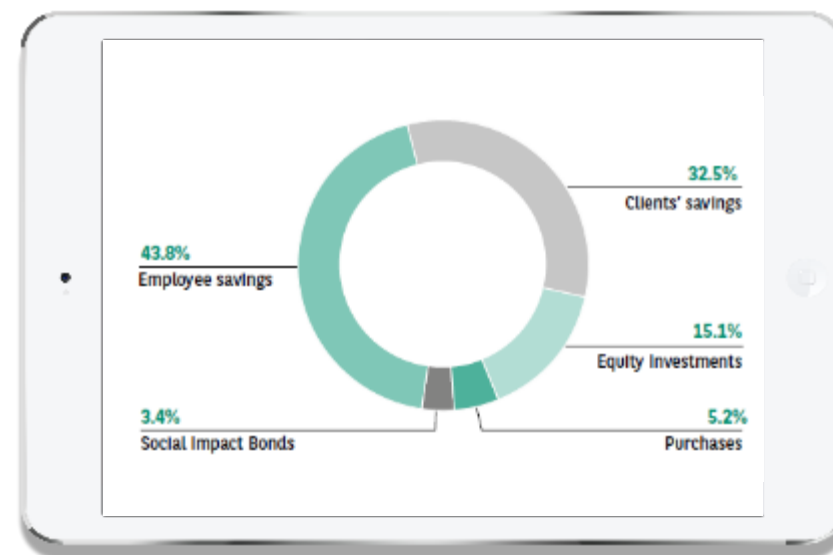
# BNP Paribas' support to social entrepreneurship

(As of end-2021)

Financing impact companies: (excl. Microfinance): **EUR 1.8 Bn**



Investments and other support for impact companies  
(in addition to financing): **EUR 200 M**



BNP Paribas' support to social enterprises (including financial inclusion institutions) amounted to **EUR 2.35 billion** as of end-2021, up 7% compared to 2020 on a like-for-like basis



# “Act for Impact”, a holistic and scalable approach to supporting social enterprises



A label created by BNP Paribas  
for social entrepreneurs to:

Provide them with  
dedicated support

Accelerate  
their projects

Introduce them  
with key partners

Enhance the range  
of products and services  
available to that sector



**“Act for impact” is a comprehensive approach to support SE: a community of experts, a wide range of tailored financial and non-financial products and services, and support for managers of social enterprises.**

**This offer continued to grow and diversify in 2021:**

- In 2021 more than 2,200 clients benefiting of Act for impact programme
- Strong growth in the network of relationship managers trained to the specifics of social entrepreneurship: 150 in France, 30 in Belgium and Italy, and 10 in Luxembourg;
- Creation of a pro bono platform to connect our clients and partners with expert employees;
- Specialised centres of expertise, such as the Circular Economy centre created in France in 2020;
- Set up of a social impact assessment methodology (MESIS) in order to integrate it as a fully-fledged analysis criterion;
- Participation in a global ecosystem through our partnerships with the most important networks for the promotion of investment and impact financing: the Global Steering Group, the Global Impact Investing Network, the European Venture Philanthropy Association and the Global Social Business Summit of Professor Muhammad Yunus, Nobel Peace Prize winner



BNP PARIBAS

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# Positive impact business accelerator

**Creation of a Positive Impact Business Accelerator:** a dedicated hub to accelerate high-impact products and services around 3 types of activity.

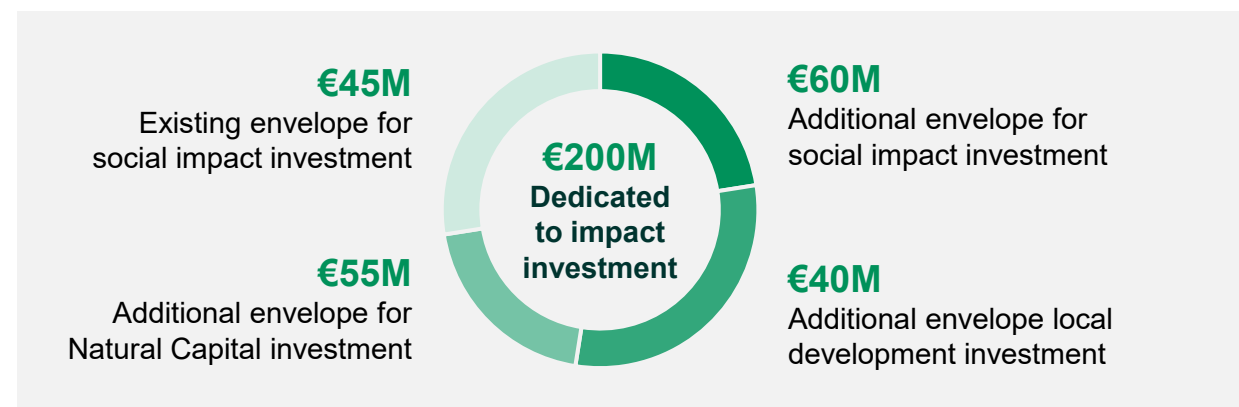
- **Structuring and financing Impact Bonds (IB) or “Contrats à Impact”, as an arranger and an investor:**

- Development of tailor-made and innovative financing tools indexed to social or environmental impact in Europe and in emerging countries (Social Impact Bonds – SIB and Development Impact Bonds – DIB; Impact Contracts, Pay-by-result...)
- Support for project promoters from the Social and Solidarity Economy, local public authorities (ministries) and multilateral institutions (UNDP, UNICEF...)
- Building the investor's pool to finance the impact bonds (monitoring of investments, social KPIs, financial risk, reporting)

- **Impact investing**

- Contribute to the definition of the Group's Impact Investing (in connection with the divisions and business lines)
- Coordination of the own-account impact investment envelope
- Due diligence and investment in impact funds
- Examples of invested funds: Fond NovEess (Fund aiming at investing in housing, education, environment, health, entrepreneurship and employment, with a target of €100M and a share of €10M for BNP Paribas)

- **Impact measurement: Deployment of impact measurement methodology and training of advisers**

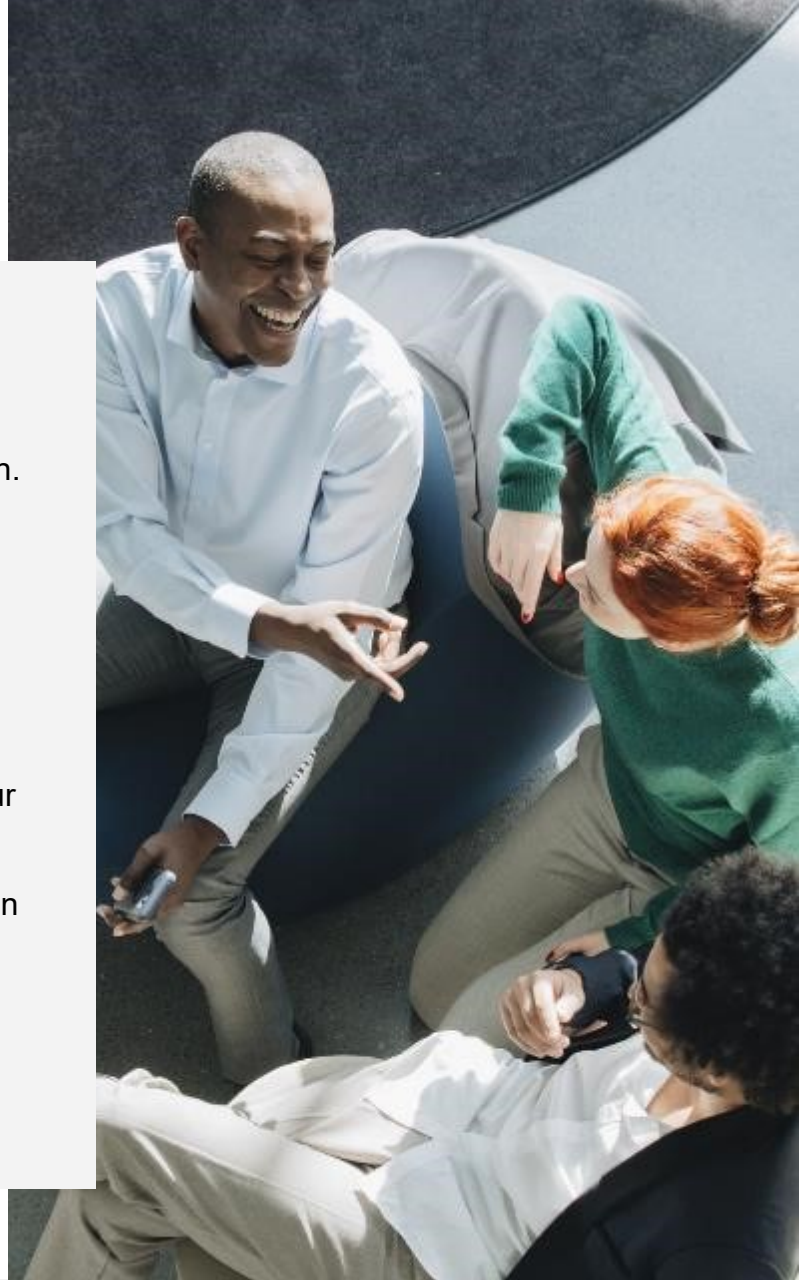


On all subjects, R&D projects, external representation and participation in working groups, conferences, placement groups, etc.



## Focus: development of impact bonds activity

- BNP Paribas has become a significant player between 2016 and 2022 with: 12 Impact Bonds (co)structured in the United States, France and Belgium for a **total amount of EUR 39M** and in which BNP Paribas has invested EUR 13,5M. To date, 3 of these 12 Impact Bonds already ended successfully.
- They focus on various themes such as child protection, professional integration, or equal opportunities in education. For instance:
  - In 2020, the Group structured its [first Social Impact Bond in Belgium](#) with the Oranjehuis association.
  - Among other, the Group also structured and/or financed Impact Bonds for [Médecin du monde, the ADIE, La Fondation d'Auteuil](#) in France.
- **The BNP Paribas European Social Impact Bond Fund** of EUR 10 million launched in January 2020 by BNP Paribas Asset Management for the European Investment Fund (EIF) and BNP Paribas, has already invested in four Social Impact Bonds for an amount of **EUR 5.6 million**.
- **3 Calls for Projects in which BNP Paribas won all the structuration mandates:** ADEME (€23M for 7 projects in favour of circular economy) ; French Ministry of Economy (€10M for 3 projects for equal opportunities) ; French Ministry of Work (€10M for 4 projects to innovate and facilitate access to work).
- Ongoing **Development Impact Bond (DIB)** pipeline tackling issues in **emerging countries**:
  - “ [Menstrual Hygiene Management](#) ” carried out by **Care, AFD** and **the French Ministry of Foreign Affairs**





# Business case: the social impact bond (SIB) for ORANJEHUIS association (Belgium)



BNP PARIBAS

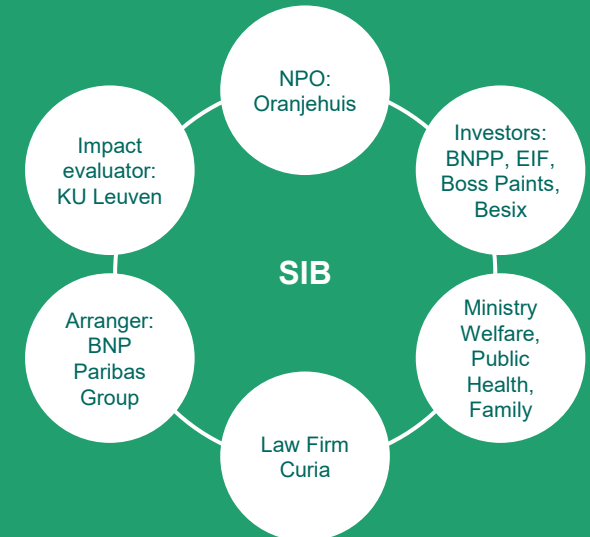
BACK

- **Year:** 2020
- **Amount:** 1.7 M€
- **Sustainability Targets:** Social and professional the reintegration of 133 young adults aged 17 to 25 and in imminent risk of homelessness.
- **Description:** This SIB has been created to finance Back On Track, a programme by the not-for-profit organization Oranjehuis. To achieve its objective, Oranjehuis will be using the Housing First approach, a methodology that focuses in priority on providing sustainable housing for young people before beginning intensive and customized support for their social and professional (re)integration.

This SIB enables joint innovation by several but complementary stakeholders in the interest of the youth:

- Non-profit Oranjehuis, as the Social Service Provider;
- The Ministry for Welfare, Public Health, Family and Poverty Reduction, as outcome funder;
- BESIX Foundation, BNP Paribas European Social Impact Bonds Fund, BNP Paribas Fortis and Labido Invest as the investors;
- The BNP Paribas group as the structurer;
- A research team from the KU Leuven as independent evaluator;
- Curia as the law firm.

BNP Paribas is confirming its commitment to **combining financial innovation with positive impact.**





# Business case: other impact bonds



BNP PARIBAS



The Group also structured and/or financed impact bonds, among which:



## France

- **Description:** This project offers to families in precarious situations, a safe haven and individual support for 9 to 12 months, so that they can rebuild their lives, find long-term solutions and avoid foster care for children. Two regions replicated the social impact bond : Gironde and Loire-Atlantique. By **La Fondation d'Auteuil**.
- **Amount:** €5.2M



## France

- **Programme:** The “Alternative to incarceration for housing and intensive follow-up” programme (*“Alternative à l’incarcération pour le logement et le suivi intensif”*, AiLSi) for **Médecins du Monde**.
- **Description:** It aims to promote the health and social rehabilitation of homeless persons with severe psychiatric disorders, in order to avoid the inefficient “prison–street–emergency housing–hospital” pattern. With a budget of €6M, this impact bond, signed in October 2021, will last five years and will be deployed in the Marseille region.



## France

- **Programme:** Foster economic and sustainable social integration for 500 beneficiaries living in isolated rural areas through accessible microloans and an innovative support methodology. By **the ADIE**.
- **Amount:** €1.5M





# Business case: development impact bond for menstrual hygiene (Ethiopia)



BNP PARIBAS

BACK

- **Year:** 2021
- **Amount:** 3 M€
- **Sustainability Targets:** to tackle the multifaceted menstrual hygiene related issues in Ethiopia and its consequences on school drop out, sanitation infrastructures, health, gender equality, etc.
- **Description:** BNP Paribas was chosen as the investor for the programme “**Menstrual Hygiene Management**” carried out by **Care**, **AFD** and the **French Ministry of Foreign Affairs** aiming at promoting a menstrual hygiene culture in Ethiopia, through wide awareness campaigns to foster long-lasting behavioral and mindset changes, new sanitation infrastructures in schools for the comfort of girls during their periods, provision of menstrual hygiene kits that are affordable and sustainable, etc.



# Internationally coalitions to support a more inclusive economy

To tackle contemporary and collective issues, BNP Paribas takes place in several international organisations.



In 2021, BNP Paribas has become a member of the **Impact Taskforce established by the G7.**

- The taskforce is composed of global leaders from the world of business, public policy, and the social sector.
- The Impact Taskforce will focus on fostering and facilitating discussions and recommendations for G7 governments and industry around impact transparency, integrity, and trust. The Impact Taskforce will also investigate ways to create financing vehicles that can deliver investments for the benefit of people worldwide and the planet.
- It highlights BNP Paribas' commitment to furthering impact investing and the sustainable finance agenda as a whole.



International Coalition on the **Advancement of Human Rights** in companies and their supply chains, **Building an Inclusive and Fair Work Future, Impact Measurement Topics**, etc.



The Collectif d'Entreprises for a **more inclusive economy aiming at reducing inequalities**, in particular purchasing power and the future of younger generations.



One Young World, a forum that brings together the most promising young people around their **commitment to social impact.**



Five-year agreement with the Grameen Creative Lab (founded by Pr. Yunus) **to promote social enterprises and products within the Bank.** The partnership includes: the creation of new social businesses within the Bank itself through intrapreneurship programs ; creating a profound awareness of the employees so that positive impact will be embedded at the heart of their business lines ; promote skills *probono* from our employees for social business.



Coalition Positive Climate & Biodiversity for Small Business Financing **to provide financing and technical assistance to microfinance institutions.**



BNP PARIBAS

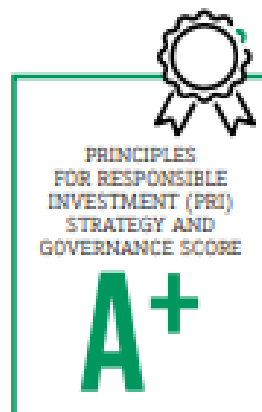
The bank for a changing world

# Develop and promote sustainability-labelled funds

As the sustainable investor for a changing world, BNP Paribas Asset Management continued to develop its range of sustainable products and services for both individual customers and institutional investors.

- BNP Paribas Asset Management offered 145 labelled funds, representing more than **EUR 132 billion** in assets under management, or nearly **25%** of total assets under management at 31 December 2021
- In 2021, BNP Paribas Asset Management was ranked:
  - We are **leader in labelled medium and long-term assets** under management in Europe.
  - No. 1** in Belgium in terms of labeled assets under management and funds with a total of **EUR 115 billion**
- BNP Paribas Asset Management's **ESG ETF range** has been a pioneer in ESG/SRI labellisation: growing from 3 SRI labels in 2019 to 21 SRI labels and 23 Febelfin labels as of Avril 2022.

**>90% by 2025** of assets under management in sustainable investments<sup>1</sup>



	Towards Sustainability	SRI label	FNG	Finansol	LuxFlag	Greenfin	Total
Diversified	30	4		4			37
Equities	49	46	6	1	1		73
Bonds	26	12	4	2		2	29
Money market	1	3					3
Real estate funds	3	1					3
<b>TOTAL LABELLED ASSETS</b> (in thousands of euros)	<b>114,972</b>	<b>79,825</b>	<b>10,434</b>	<b>2,317</b>	<b>343</b>	<b>1,130</b>	<b>132,455</b>

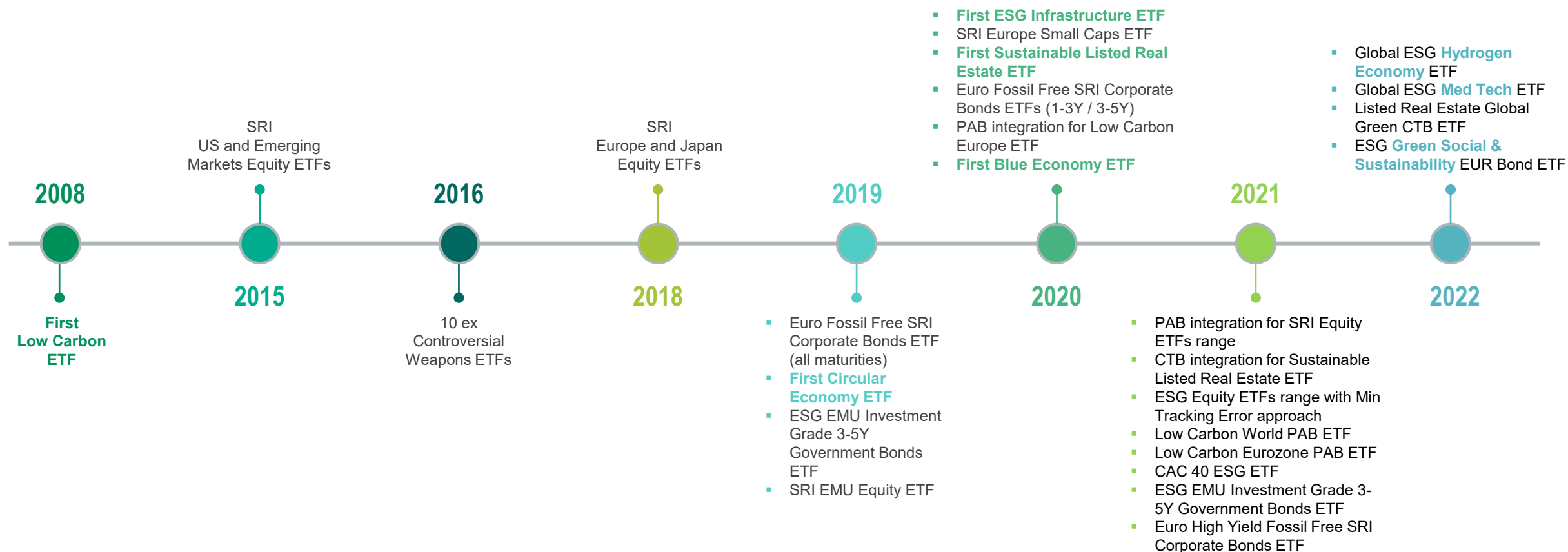
- These labels are independently audited and confirm BNP Paribas Asset Management's **long-term commitment to develop and promote its range of sustainable products to investors and savers** according to sound methodological standards

<sup>1</sup> Share of BNP Paribas Asset Management European open funds AuM in funds classified SFDR Art 8 or 9



# BNP Paribas asset management's ETF range among the pioneers in sustainable investing

## A continuous ESG pioneer approach



The above listed ETFs are sub-funds of BNP Paribas Easy, a SICAV under Luxembourg law in compliance with Directive 2009/65/EC as amended by the 2014/91/UE European Directive (UCITS V). The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the funds described being at risk of capital loss. For a Complete description and definition of risks, please consult the last available prospectus and KIID of the funds. Investors considering subscribing to a fund should read carefully its most recent prospectus and KIID that can be downloaded free of charge from our site. Source: BNP Paribas Asset Management 3/04/2022.



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BNP PARIBAS

# Financing the economy in an ethical manner



Investments  
and financing  
with positive impact



Ethics of the highest  
standard



Robust management  
of Environmental, Social  
and Governance risks  
(ESG)

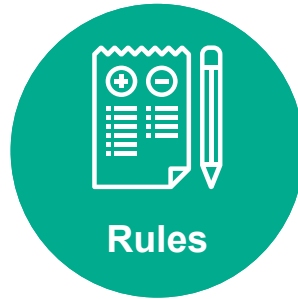


# The implementation of a code of conduct, fully redesigned in may 2016 and enriched and updated in 2021



## Mission

- **Provide financing** for the economy and advise clients in an ethical manner
- **Have a positive impact** on our stakeholders and on the society



## Rules

- Elaborated at Group level and built around **7 themes** (Customers' interests, Financial security, Market integrity, Professional ethics, Respect for colleagues, Group protection, Involvement with society)
- Enforced in every business line



## Values

- **4 strengths:** Stability, Responsibility, Expertise, Good place to work
- 4 levers: Agility, Culture of compliance, Client satisfaction, Openness



## Practices

- Annual performance appraisal, opportunity to reinforce the importance of appropriate behaviors
- Employee training
- Processes for employees to raise concerns, notably whistleblowing procedure
- Incentive to be exemplary but also sanctions (clawbacks,...)

### Code of Conduct



[Download the Code of Conduct](#)

Updated on December 2021  
(including the Addendum "fighting corruption")

- The Group Code of Conduct has been updated in **December 2021**, especially its section on **fighting corruption** that provides definitions as well as examples to illustrate prohibited behaviors.
- The Code of Conduct reminds the importance of the Conduct rules and provides guidance for the staff on how to rely on the Group values and their personal judgement to make the right decision. It also emphasizes on the possibility of speaking up.
- Since 2016, the Code has been implemented in all the business lines through dedicated frameworks, under the coordination of Compliance, in order to ensure the integration of Conduct into operational processes, controls, and more generally day-to-day activity, as well as to closely monitor the Group transversal priorities. The governance around Conduct has been significantly reinforced at Group, operating divisions and business lines level over the past few years.
- At end of 2021, **98.7%** of Group employees were trained on ethical or Conduct matters



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# Code of tax conduct

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



The decisions taken by BNP Paribas are guided by the desire to meet the needs of the real economy, and not by tax considerations.

In 2020, BNP Paribas published its Code of Tax Conduct<sup>1</sup> which defined principles and procedures applicable to all operations in which the Group is a stakeholder. It aims at giving a better visibility to the Group's commitments in this field, and thus allows to share it with all BNP Paribas' stakeholders

- BNP Paribas avoids setting up in countries or territories considered as noncooperative by France, the European Union or the OECD. The Group ensures that its entities do not benefit unduly from privileged tax schemes
- In 2021, BNP Paribas Group paid EUR 6.3 billion in taxes representing including EUR 2.8 billion in France. The bank has therefore played a positive role in the economy not only in its financing role but also as a large company embedded in its social fabric.
- Each year, the Group is fully transparent by publishing a table presenting, country by country, revenues, workforce and income, as well as corporate income tax paid<sup>2</sup>
- The Group pays close attention to customer compliance with tax laws and for example:
  - Private banking requires its non-resident customers to fill out a "tax compliance statement",
  - the Group is prohibited from participating in transactions for the benefit of its clients that could lead to an undue tax advantage;
  - the Group contributes to customer compliance with tax obligations due to its role of tax collector and provider of information to the tax authorities and to the taxpayers themselves

<sup>1</sup> [https://cdn-group.bnpparibas.com/uploads/file/the\\_bnp\\_paribas\\_group\\_s\\_code\\_of\\_tax\\_conduct.pdf](https://cdn-group.bnpparibas.com/uploads/file/the_bnp_paribas_group_s_code_of_tax_conduct.pdf)

<sup>2</sup> <https://invest.bnpparibas/en/groupe-de-document/universal-registration-document-and-annual-financial-report-2021#672>



# Protecting clients' interests through a comprehensive approach to compliance



- **As outlined in its Company purpose, BNP Paribas' mission is to contribute to responsible and sustainable economy by financing and advising clients according to the highest ethical standards**
- **Furthermore, the Code of Conduct states that “our success lies in being our customers’ preferred choice. To gain our customers’ trust, all employees must always act in a way that protects customers’ interests while complying with all relevant laws”**
- **The Group's zero tolerance towards bribery and corruption is recalled in its Code of Conduct, which was revised in 2016, 2018 and enriched in 2021:**
  - Mandatory online training in the Code of conduct conducted in 2016 for all employees and ongoing for new hires
  - Extension of the Code of conduct in 2018 with an addendum on “Anti-corruption practices”, in accordance with the law of 9 December 2016 on transparency, the fight against corruption and modernization of the economy
  - In 2021, 98% of the Group’s employees followed the online training on international sanctions and embargoes, and 96.6% of them took part in the anti-money laundering and terrorist financing training.
- **Apart from the Code of Conduct, BNP Paribas has also developed a Group Global Policy for the Protection of Interests of Clients which defines the organizational and conduct rules applicable within the Group regarding the protection of the interests of Clients**
- **Compliance is tasked with anticipating, expanding the range of robust tools, ensuring staff training, and strengthening internal control processes**





# Protecting clients' interests through a comprehensive approach to compliance



- **As outlined in its Company purpose, BNP Paribas' mission is to contribute to responsible and sustainable economy by financing and advising clients according to the highest ethical standards**
- **Furthermore, the Group has chosen to place this issue at the heart of its Code of conduct and has set up a dedicated expert group within the Group Compliance teams. Protecting clients' interests is based in particular on:**

- the Code of conduct
- the Clients' Interests Protection (CIP) policy

**The CIP defines rules that must be observed throughout the relationship with the customer and at all stages of the life cycle of products and services, to mitigate the following major generic risks:**

- product and service suitability
  - information provided
  - CIP-related conflicts of interests
  - managing client complaints
- **Compliance is tasked with anticipating, expanding the range of robust tools, ensuring staff training, and strengthening internal control processes**



# Protecting personal data and mitigating privacy risks through a solid data protection framework

## Right to privacy: a direct salient Human Rights risk

**The Group Privacy and Data Protection Policies are applied across all entities and territories**

- A global network of Chief Data Officers (CDOs) and Data Protection Officers (DPOs) ensures the global adoption of our Privacy and Data Protection standards; they are coordinated by the Group Chief Data and Data Protection Officers respectively
- Steering committees on Privacy and Data Protection gather regularly at Group, Business and territory levels
- The Group CRO oversees BNP Paribas Data Protection activities and provides subject access to Group General Management

**The strong IT and cyber security strategy and governance are key contributors to data protection**

- The Group's Cyber Security Strategy enables the Business to achieve adequate security of data in line with general and Data Protection requirements; privacy requirements are integrated into security practices
- Privacy Enhancing Technologies are deployed and managed across the Group, including tooling for Data Leak Prevention, Cyber Security Controls or Data Protection to prevent, report and effectively manage breaches to personal data

**The Group invests massively in continued training to secure the Group's digital transformation**

- Data Protection e-learning is mandatory for the whole workforce and guarantees a secure personal data process throughout the business relationship. In 2021, 95% of staff completed the training, the Group campaigns being held every two years and assigned to all newcomers upon their arrival
- Role and regulatory regime based specific training is deployed as required, including cyber-security training and other specialized certifications

**The Group upholds Privacy and Data Protection Rights for our clients and employees**

- BNP Paribas Privacy program aims to empower clients on the use of their data by providing adequate information, tools and protections via a user-friendly and human-centric customer experience
- Data Protection Rights (rights to access, rectification, information, erasure) are guaranteed through active monitoring
- Information held and processed is classified, managed and protected according to its sensitivity
- Data protection maturity and resilience is assessed annually through common operating standards and target operating models



# Net promoter system anchoring customer centricity within the group is operational in all retail banking entities

## Net Promoter System

### Listening to customers

- Customer feedback is collected at different moments of the relationship
- Customers are systematically call-back by the RMs
- Customers painpoints are identified

### Solving customer painpoints & fostering promotion

- Each branch identifies specific painpoints of its customers and implements solutions to address them within their capacity
- Customer painpoints that can't be solved at branch level are prioritised and solved by the domain/product owners.

Measuring the impact of implemented actions  
(on business results and customer perception)

A very positive development in our NPS positioning in several countries and sectors

## Net Promoter Score measures the willingness to recommend

How likely are you to recommend BNP Paribas to friends or family?



$NPS = \% \text{ of Promoters} - \% \text{ of Detractors}$



# BNP Paribas personal finance

## BNP Paribas Personal Finance has developed a responsible lending and servicing approach

In September 2020, BNP Paribas Personal Finance defined its company purpose:

**“promote access to more responsible and sustainable consumption, to support our customers and partners”**



### Assistance to fragile customers:

- BNP Paribas Personal Finance has called all its customers who have benefited from COVID-related assistance (moratorium etc..) to ensure their ability to resume their payments. For the 10% who had difficulties, the fragile customer system was deployed. **2 times more customers contacted in 2021 than the previous year.**
- BNP Paribas Personal Finance supports victims of **natural disasters** caused by climate change. In Germany, Turkey, Belgium, etc.: the “Fragile customers” process enabled maturity payment postponement with various assistance, postponement and advice systems
- Cetelem, the BNP Paribas Personal Finance brand, has signed a partnership agreement with Handi Auto, which specialises in adapting **vehicles for people with reduced mobility**. Cetelem proposes to acquire a converted vehicle, or to equip an existing vehicle
- In 2021, BNP Paribas Personal Finance created a financing offer at favourable rates for modest households wishing to equip themselves with a low-emission vehicle

### Leveraging customers’ voices through the annual Net Promoter Score (NPS):

- 90% of countries have implemented and automated the NPS and Customer Advocacy processes;
- Spain also achieved the best score for transactional (70) and relational (84) NPS.

### Improve financial literacy

- The digital Platform **“Responsible Budget”**\* has been deployed in 3 entities (France, Belgium & Italy). In 2021, This platform helped **60,000 young people**
- Other programmes are being developed in Portugal, Bulgaria, Turkey,... in collaboration with the association Junior Achievement, and in Poland, Czech Rep.,.... through the Bakcyl Project ;

\* <https://www.budgetresponsible.com/>





# Financing the economy in an ethical manner



BNP PARIBAS



Investments  
and financing  
with positive impact

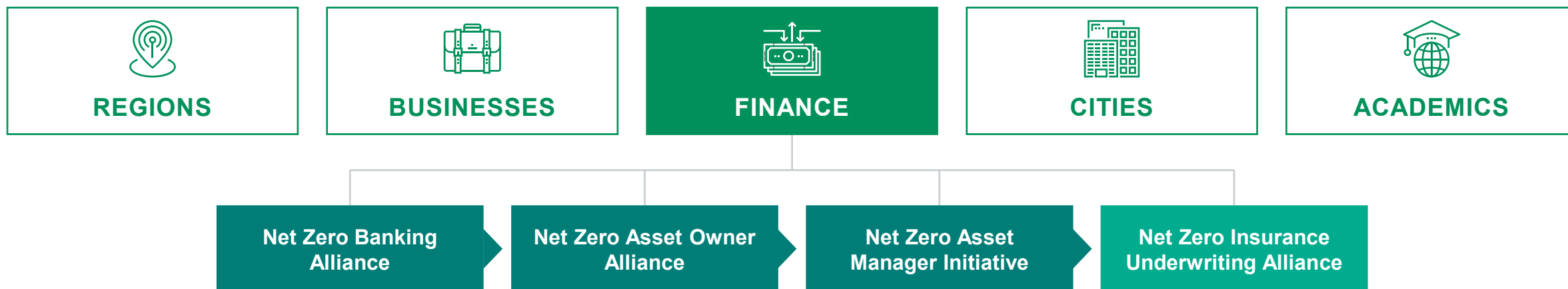


Ethics of the highest  
standard



Robust management  
of Environmental, Social  
and Governance risks  
(ESG)

# Race to net zero: A collective mobilisation for climate change



- **BNP Paribas has joined the Net-Zero Banking Alliance in April 2021:**
  - As of 11.04.2022, the Alliance gathers 108 banks from 40 countries
  - **Our commitments:**
    - **Transition** GHG emissions from our lending and investment portfolios to align with pathways carbon neutrality by 2050;
    - **Build** on credible transition scenarios published by well-recognized sources (IPCC, IEA);
    - **Prioritise** our efforts on the most GHG intensive sectors which are key to the transition to a net-zero carbon economy;
    - **Set** intermediate targets, no later than 2030;
    - **Publish annually** our progress and the associated action plans.
- This approach was also implemented by:
  - **BNP Paribas Cardif, which joined the Net-Zero Asset Owner Alliance in Sept. 2021**, committing to become carbon neutral by 2050
  - **BNP Paribas Asset Management, which joined the Net-Zero Asset Management Initiative in Nov. 2021**, committing to become carbon neutral by 2050 or sooner





# Race to net zero: the first 'climate analytics and alignment report' and carbon intensity reduction targets by 2025

As part of BNP Paribas' 2025 strategic plan, the Group unveils its first 'Climate Analytics and Alignment Report' which will steer the alignment of its portfolio with its net-zero commitment



## New Oil & Gas Policy (see p.144) : Additional commitments

- BNP Paribas stops its financing and investments in companies of which more than 10% of the activity is linked to the oil from tar sands and to oil and gas from shale
- BNP Paribas will no longer fund any oil or gas projects and related infrastructure in the Arctic and Amazon regions

*"Our aim is to continue to be at the forefront of combatting climate change by moving further and faster to limit the rise in global temperatures to 1.5 °C by 2050. As the task becomes ever more urgent, we have integrated new targets in our strategic plan for 2025 to finance the energy transition. In the current geopolitical context, it is even more essential that we maintain an ambitious course towards a net-zero economy and finance the acceleration of renewable energies."*

*"Our strategy is threefold: align our portfolio with our net-zero commitment; measure and pilot our carbon-related risks; and broaden and deepen client relationships to support them as they make their low-carbon transition. This 'Climate Analytics and Alignment Report' is a main first step in taking new commitments within the Net-Zero Banking Alliance. We will extend this work to support our clients' transition across seven other carbon-intensive sectors by 2024."*

said **Jean-Laurent Bonnafé**, Director and Chief Executive Officer, BNP Paribas.



1. Electrified Vehicles, including Battery Electrified Vehicles, Plug-In Hybrid Vehicles and Fuel-Cell Vehicles; 2. Green loans, green bonds, as well as all financings supporting low-carbon technologies, such as renewable energies, green hydrogen, etc.



# The bank is one of the first signatories of the Net-Zero Banking Alliance, which aims to finance a “net zero” economy by 2050



Trajectory of the total exit of the thermal coal value chain in line with the objectives set

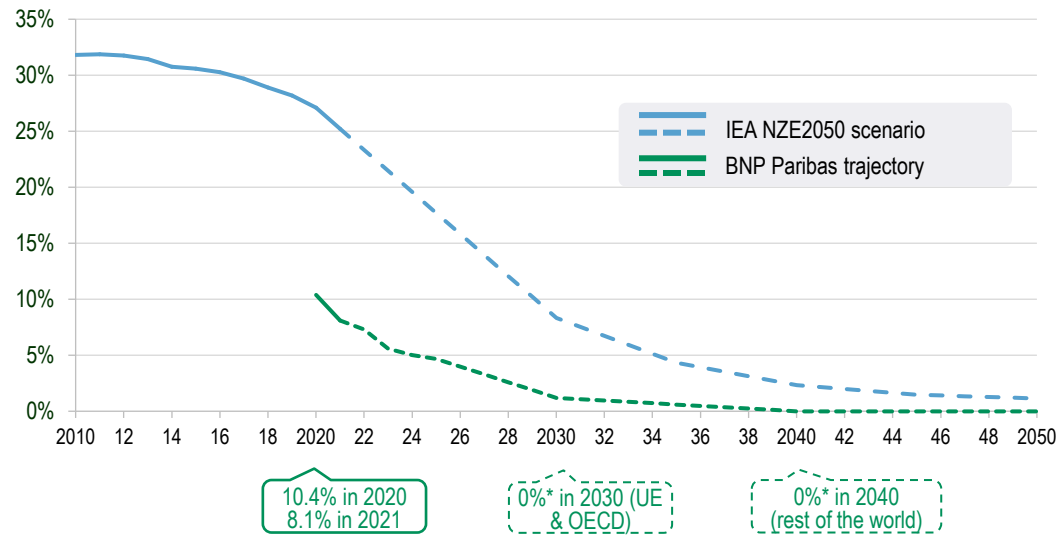
In 2021, the share of coal in the electricity mix in capacity was 8.1%



12% reduction in the Group’s exposure to oil and gas exploration and production by 2025

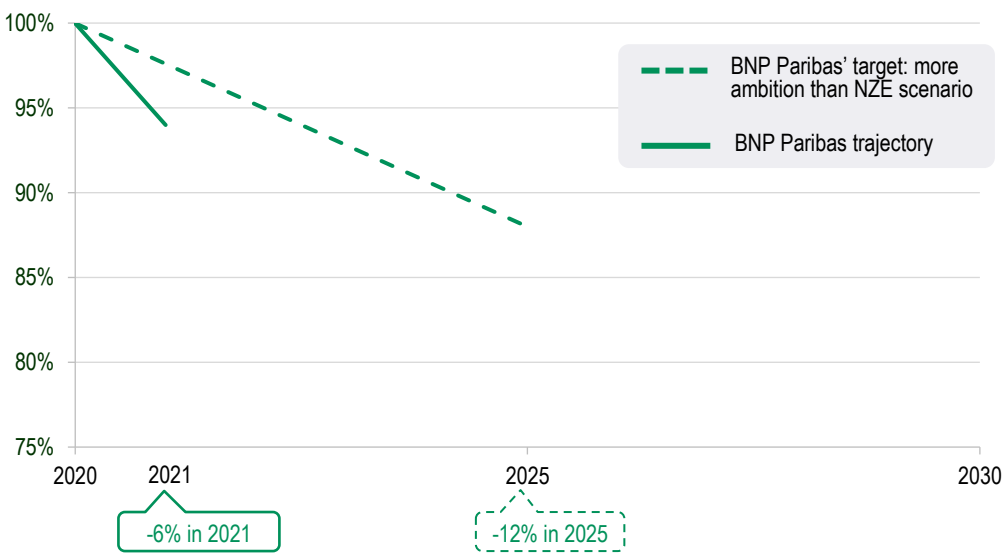
The Group has already reduced its exposure on specialized **unconventional oil and gas** companies from EUR 4 billion at the end of 2016 to EUR 0 billion at the end of 2021

Share of coal in the electricity mix financed (Capacity)



In term of production, the share of coal in the electricity mix financed was 12.4% in 2020, 8.8% in 2021 and will be 5.2% by 2025

Exposure to oil and gas exploration and production

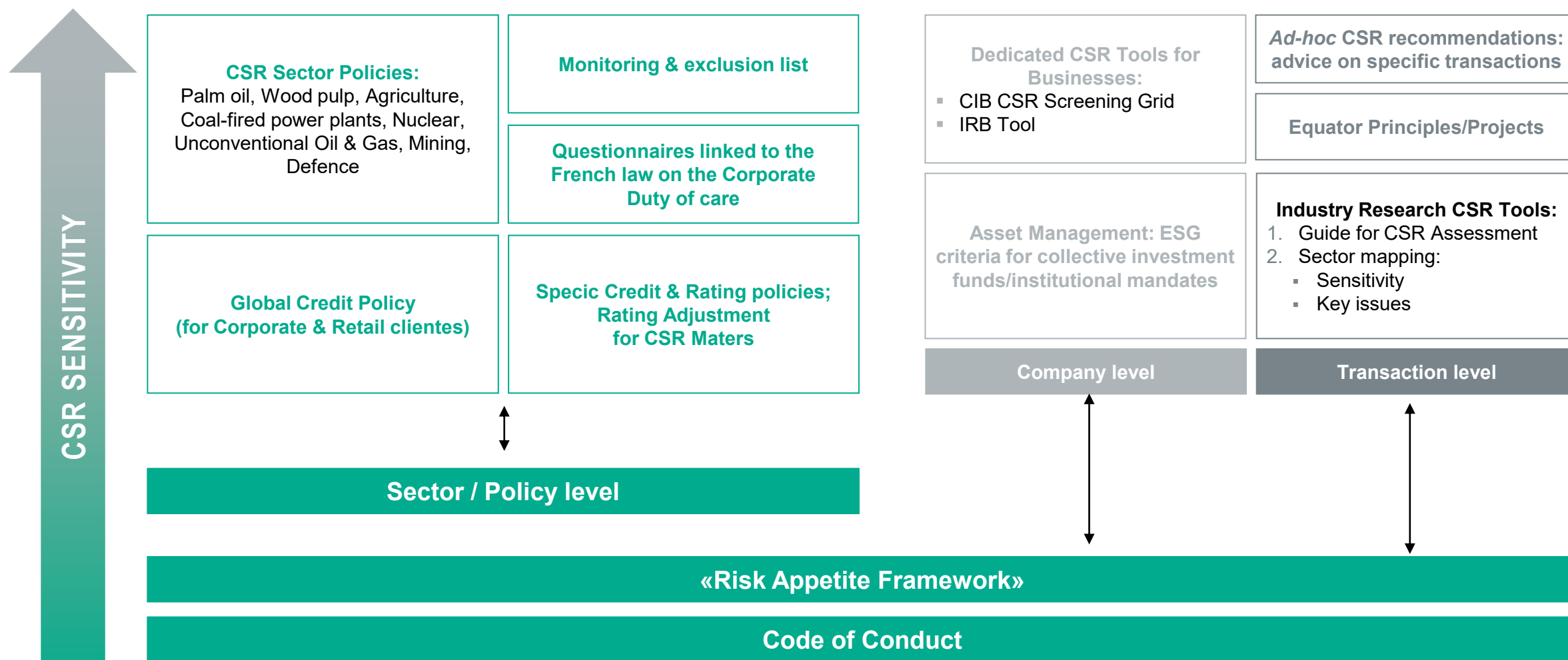


\* Data based upon 80% of BNP Paribas portfolio’s coal capacity at the end of 2019 (data used for the calculation of the Group electric mix); The trajectory is based on the hypothesis of a full exit for each perimeter, and doesn’t take into account potential commitments terminating after the exit dates





# Overview of BNP Paribas' CSR assessment process of ESG risks



# The ESG assessment, a new global risk assessment tool

- to **identify, assess** and **monitor** the performance and ESG risks of corporate clients by sector
- a **common** and **systematic approach** within the Group for clients within the credit process
- to exercise **greater control** over the ESG dimensions during credit committees

ESG Assessment will be rolled out to all corporate clients by the end of 2023

The ESG assessment Tool can be illustrated as follow



# Financing & investment CSR policies in sensitive sectors (1/3)



**The Group is exposed to many different industries, and some of them face major ESG challenges:**

- Within the framework of its formal commitment to Corporate Social Responsibility (CSR) and to the UN Guiding Principles on Business and Human Rights, the Group has identified the **sectors which are most sensitive from an ESG standpoint and where the Group is significantly exposed**.
- For these **8 sectors**, CSR Sector Policies have been designed to address the crucial E&S challenges of the sectors.
- These **public policies govern the Group's financing and investment activities by defining internal rules and criteria** more stringent than regulations. These policies are validated by the Group Supervisory and Control Committee, chaired by the CEO.
- The Policies set two types of criteria: **mandatory and evaluation criteria**. A company which does not comply with each mandatory requirement will be added to the CSR Restriction of Activity List (level 2 procedure) as "Excluded"; and evaluation criteria help designing best practices and point at companies needed to be closely monitored.
- **The CSR Sector Policies apply to all groups entities, across all locations and to all products and services offered by the Group**
- The CSR Sector Policies are **regularly updated** to better take into account the new challenges of the sectors and increase the level of ambition when relevant.



## Financing & investment CSR policies in sensitive sectors (2/3)



### Sector policies and exclusion list

- BNP Paribas' sector policies cover defense, nuclear power, coal-fired power generation, wood pulp and palm oil, mining industries, unconventional oil & gas and agriculture (see appendix)
- In addition, the Group has a list of goods and activities on exclusion
- In 2019, BNP Paribas also decided to no longer finance private prison companies
- BNP Paribas excluded Tobacco from its financing and investment activities in 2017 and became a founding member of the Tobacco-Free Finance Pledge, launched in September 2018
- In 2019, BNP Paribas released a public position on Ocean Protection
- In 2020, the Group:
  - Adopted a complete phase-out plan of the thermal coal value chain and revised its mining and coal-power policies to be in line with the new objectives set
  - Took further commitments with regard to two sensitive areas for climate, biodiversity and Indigenous peoples:
- In 2021, BNP Paribas:
  - Revised its Agriculture policy to insert new restrictive criteria for soy and beef companies in the Cerrado and Amazon regions in order to fight deforestation and ensure traceability and includes criteria related to the improvement of animal welfare, particularly in chicken farms
  - Published its public position on Biodiversity
  - Committed to reduce by 12% its exposure to oil and gas exploration and production by 2025
- In 2022 BNP Paribas released its new "Oil & Gas Policy" replacing the "unconventional oil & gas" one





## Financing & investment CSR policies in sensitive sectors (3/3)



### Sector policies implementation:

- To ensure that ESG risk management tools are strictly applied in all entities and business lines, the Group has introduced a CSR operational Control Plan. Since 2019, this control plan incorporates the ESG risk management systems defined by the Group as part of its application of the law on the Duty of Care. It is then rolled out across the Group's businesses and functions
- In 2021, the Group's CSR teams were asked to give an expert opinion for close to 3,173 transactions (2,500 in 2020)
- A strong teams' involvement:
  - The implementation relies on the CSR, RISK and Compliance Functions
  - In 2021, more than 70,000 sustainable development training courses were carried out by more than 40,000 employees.



# Equator principles

**17 transactions reviewed**  
against the Equator Principles  
in 2021

	2017	2018	2019	2020	2021
Number of transactions concerned in the year	8	17	8	8	17
Number of grade A transactions in the year	1	3	2	2	3
Number of grade B transactions in the year	7	14	6	6	13
Number of grade C transactions in the year	0	0	0	0	1

**Category A** : Projects with potentially significant environmental and social impact for which attenuation or corrective actions are required

**Category B** : Projects with limited or moderate environmental and social impact

**Category C** : Projects with minimal or zero impact

*Disclaimer : The (A/B/C) categorization step is assessed before mitigation of the salient E&S risks identified and determines the extent of E&S due diligence to be performed. The proposed mitigation of identified E&S risks will have to be satisfactory to the banks.*



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# The French Law on Duty of Care



## French Law on the Duty of Care

BNP Paribas' systems in place to identify and manage risks (i.e. on human rights, health/safety and the environment) enable the Group to meet the requirements of the **French Law on Duty of Care**

## “BNP Paribas Responsible Business Principles”

- Published on the Group's website at the end of 2018 and is valid for all commercial relationships of the Group
- Reference to BNPP's mission to contribute changing the world according to its existing commitments of promoting Human Rights and protecting the environment
- **Expectation of BNP Paribas to engage with clients having a high degree of governance and responsibility**

## Environmental and Social (E&S) risk per country

- Definition of a level of risk: very high, high, medium and low

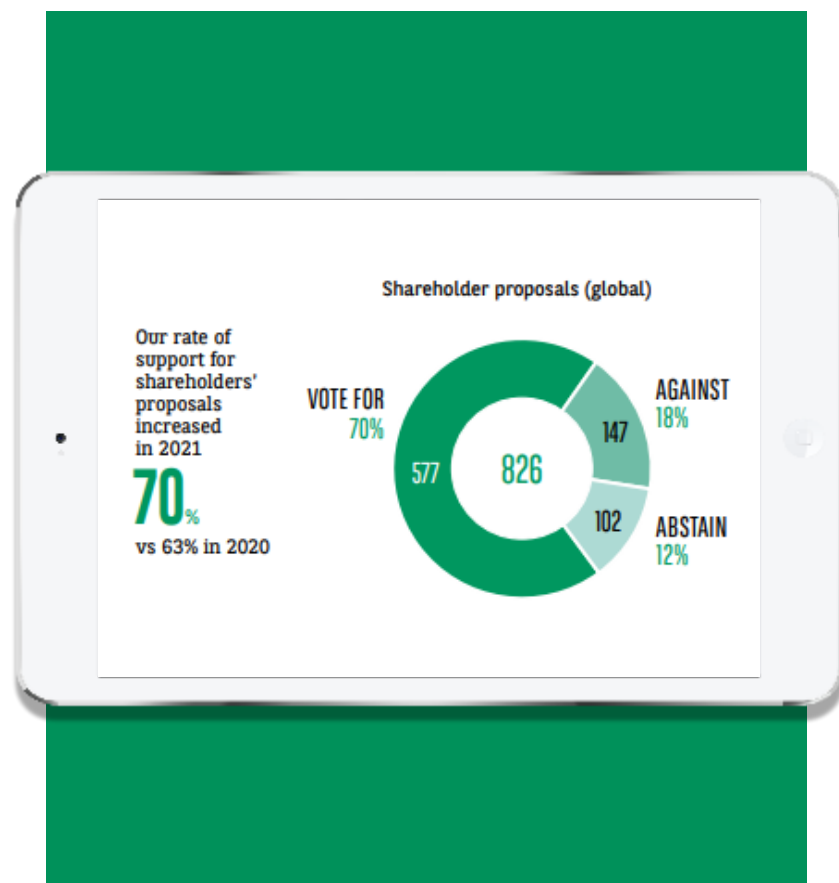
## Dedicated measures according to the E&S country risk and the sector

- **Additional sector questionnaires** for the most sensitive sectors



# ESG criteria integration into our investment services & products (1/2)

Assure all BNP Paribas' clients that environmental, social and governance issues have been taken into account in the management of their assets



**BNP Paribas Asset Management (BNPP AM):** systematic integration of extra-financial criteria

- **ESG integration**

- As a result of our robust and consistent approach to ESG integration, BNP Paribas Asset Management had **EUR 229 billion** in SFDR Article 8 and Article 9 funds (all types of products), including **81% of its open-ended funds** as of 31 December 2021.

- **Stewardship:**

- In 2021, **BNPP AM** abstained or opposed management approximately 33% of the time. It demonstrated strong support for social proposals (100%) and for environmental and climate change proposals (89%).
- **BNPP AM** supplement this with thoughtful and determined company engagement, both one-to-one and through collaborative initiatives such as **Climate Action 100+**, which resulted in some significant changes at companies. Our climate-related shareholder proposals at Exxon Mobil and Delta Airlines both received a majority vote.
- A **Squarewell** report ranked us in **top position** for our track record on climate change votes. **BNPP AM** ranked **second in Share Action Voting Matters 2021**, rewarding our high level of support for environmental and social resolutions, and it **ranked the first asset manager in Preventable Surprises report on corporate lobbying**





# ESG criteria integration into our investment services & products (2/2)

Assure all BNP Paribas' clients that environmental, social and governance issues have been taken into account in the management of their assets



- **Responsible Business Conduct**

- **BNPP AM** have continued to **tighten the carbon intensity threshold of our coal policy** in line with the International Energy Agency Sustainable Development Scenario. It now **excludes more than 1 000 power generators** and companies involved in the mining of thermal coal.
- **The '3Es': Energy transition, Environmental sustainability, and Equality & inclusive growth**
- **Energy transition: BNPP AM** joined the **Net Zero Asset Managers Initiative** in 2021. This year, it will publish our net zero roadmap that will frame our commitment and the associated targets and strategy.
- **Environmental sustainability: BNPP AM** launched our biodiversity roadmap, "Sustainable by Nature", and an innovative partnership with the CDP to develop biodiversity corporate reporting metrics.
- **Equality & inclusive growth: BNPP AM** launched our **Inclusive Growth strategy**, a global equity strategy based on a proprietary data model and "inclusive growth" assessment.

- **BNP Paribas CARDIF (Insurance):**

- As of end-2021, BNP Paribas Cardif held €282bn of assets under management (AuM), and its main general funds are located in France (€122bn), Italy (€23bn) and Luxembourg (€9bn). These three funds are classified under SFDR as Article 8.
- In 2021, regarding the general fund located in France:
  - 95% of Cardif Life Insurance's general assets in euros were subject to an ESG analysis
  - BNP Paribas Cardif totaled €10,7 bn of positive-impact investments (directly-held assets) and committed to invest one additional billion euro per year in average (2019-2025)



# Promote the development and the engagement of our employees



BNP PARIBAS



Promotion of diversity,  
equality and inclusion in  
the workplace



A « Good place to work »  
and responsible  
employment management



A learning company  
supporting dynamic  
professional  
path management



# Our social responsibility



- 84% of respondents to the Joint Pulse Survey “Conduct” and “Diversity and Inclusion” support the Group’s actions in terms of Diversity and Inclusion (overall score of the survey conducted in October 2021 with nearly 80,000 respondents);
- The “About Me” digital HR platform, at the heart of the Group’s career management, has been recognized at the Digital HR Awards by Deloitte. Since 2021: 98% of employees have access, over 2 million skills have been declared, and the annual objectives of 178,000 employees and more than 55,000 personal development plans are included;
- An agreement on remote working was signed for the first time at the level of BNP Paribas SA and its subsidiaries in France (July) and a European charter on remote working was signed (November) including remote working as the standard and sustainable way of working for activities that can be done remotely;
- Reinforced prevention measures continued to be implemented to protect the health of employees, including vaccination campaigns with the mobilization of its Integrated Occupational Health Service in France, which has achieved a total of 8,000 Covid-19 vaccinations from 2021 to January 2022. Free vaccination campaigns have also been offered in several other countries.



# Our social responsibility

## Promoting employee development and commitment

### Promotion of diversity and inclusion in the workplace



### A good place to work and responsible employment management



### A learning company supporting dynamic career management



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# Our social responsibility: why BNP Paribas makes a difference

## A strong UN partner

A member of two major coalitions in the UN Women Generation Equality Forum program, the Group commits to make immediate progress on “Gender-based violence” and “Technologies and Innovation for gender equality”. New targets : 1,000 women more in the IT sector by the end of 2024 and fighting gender-based violence by mobilizing 50 new private sector organizations, strengthening and internationalizing its internal systems, and supporting its victim customers.

## Advocacy role & Recognition

In 2021, as a longstanding partner of the Women’s Forum (Contribution of Women in the Fight against Climate Change), BNP Paribas was actively involved in 5 Daring Circles discussion and action circles bringing together stakeholders.

The Group is pioneering in France with its involvement one of the 9 pilot organizations that is testing the Diversity and Inclusion Index from January 2022, under the initiative of the minister, Elisabeth Moreno.

For the first time, BNP Paribas is now classed as a top ten employer in France in the Universum 2021 ranking “Worlds’ Most Attractive Employers”: number 1 French bank and 3rd French company (behind L’Oréal and LVMH).

Top Employer Europe for the ninth consecutive year with an overall average of 90% (89% in 2020).

## High involvement of employees

**More than 50,000 employees** involved in the internal employee networks.

Success of the **Diversity & Inclusion week** and the parenting week and a large audience for the podcast series titled “In My shoes” with more than **16,000 listeners**.





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# Promote the development and the engagement of our employees



Promotion of diversity, equality and inclusion in the workplace



A « Good place to work » and responsible employment management



A learning company supporting dynamic professional path management

# Notable results and actions regarding gender equality



## A commitment from the Executive Management

- **Joined in 2019 the #JamaisSansElles charter** with all members of the BNP Paribas' Executive Committee committing individually to abstain from participating in public events, juries or in
- Public forums, roundtables or panels that have at least three participants without at least one of them being a woman (first CEO of a CAC 40 company)
- 2021 marks the extension of the **#JamaisSansElles** Charter to 490 signatories (of which 75% are men) from management bodies in 22 countries



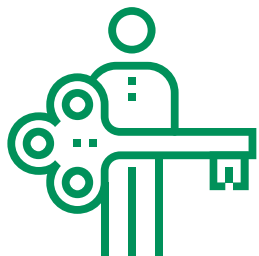
## Training, awareness raising actions and actions

- Personal or leadership development programmes, such as **“Active Inclusion”**, **“#WomengotTalent”**, **“Women in Business”**, **« Boost Her Career »**, **“Women’s Impact Program”** (Germany), **RISE** (UK), **« Leadership for women »** (Switzerland, Canada)
- Fight against sexism: BNP Paribas took part, alongside 16 other member organisations of #StOpE, in a survey on everyday sexism in the workplace. **12,000 employees replied to it in France**. Corrective actions were taken.





# Our social responsibility: why BNP Paribas makes a difference



## Sole bank with such key achievements & targets about gender equality

### Outstanding actions in the area of professional gender equality

- The Group joined the OneInThreeWomen network's Executive Committee on 1 January 2021, strengthening its awareness raising mechanism.
- The targets set in 2018 by the HeforShe programme were reached (more than 40% women talents and leaders in Global markets, launch of IT gender balance programme to attract women talents into IT activities thanks to nudge methodology, increase by 50% the number of men in Human Resources).
- **€ 2 billion** allocated by French Retail Banking to support women entrepreneurs' projects in 2021.
- **€ 3.45 million** budget in 2021 to address possible gender differences in annual compensation for BNPP SA. Budget provided by subsidiaries in France stable to around **€ 1.5 million**.
- The score of BNP Paribas SA into gender equality index is **87 points/100**, among the best in the industry and well above the statutory minimum.

- **CSR performance objectives** are taking into account for 20% of the awards made in 2021 to over 7,000 key Group employees in the 3-year loyalty plan (maturing in June 2024).
- Results of the gender equality actions with women representing:
  - **34%** of the **G100**;
  - **32%** of **Top 500** executives;
  - **32%** of **SMP** (objective > 31% in 2021);
  - **52%** of **Emerging Talents**, **45%** of **Advanced Talents** and **42%** of **Top Talents**;
- New objectives for the proportion of women: at least **40%** of all levels of top management (Executive Committee, 100 top executives, Leadership for Change, Senior Management Position) and **50%** of Talents – Leaders for Tomorrow by 2025





# Promote diversity & inclusion

## Constant progress, pioneering initiatives for greater diversity



Other Diversity & Inclusion topics:



### Internationalization and multiculturalism:

- 173 nationalities in the Group, with 12 of them in the G100
- March 2021: the Group joined the **International Day for the Elimination of Racial Discrimination**
- Validation of a **Group level roadmap** dedicated to the diversity of social and ethnocultural origins by ExCo and Board
- CulturALL: new global network of Afrinity in France, Friends of Africa in Belgium, UK Multicultural Network and Black Heritage ERG (Employee Resource Group) in Canada

### LGBT+

2 employees being nominated for awards in the categories of LGBT+ Leaders role models and Allied leaders role models by OUTstanding and "l'Autre Cercle"

Promoting employment and inclusion of people with disabilities by implementing at least one of 10 Principles of the **ILO Global Business and Disability Network Charter** in all entities with more than 1,000 FTE

### Employees' involvement in internal networks promoting diversity

Over 50,000 employees involved in internal networks interacting about topics as varied as gender equality, sexual orientation, intergeneration, harmony, parenting, disability, inter-religion harmony and veterans



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# Promote diversity & inclusion – internal & external rewards



## External recognitions

- Presence of the Group to professional equality-specific indices such as the **Bloomberg Financial Services Gender Equality Index (BFGEI)**
- Excellent rate for its “**Diversity and anti-discrimination**” policies (>90/100) for the biannual **ESG V.E (71/100 in general)**
- **Scoring 100/100 at the 2022 Corporate Equality Index** published by Human Rights Campaign Foundation for being a business most welcoming to and respectful of the LGBTQ population in the United States
- In France, BNP Paribas holds the **diversity label** (since 2009) and the **professional equality label** (since 2018)
- The Group stands out for diversity and inclusion (89%; +14 pts) in Top employer Europe label



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# Promote the development and the engagement of our employees



BNP PARIBAS



Promotion of diversity,  
equality and inclusion in  
the workplace



A « Good place to work »  
and responsible  
employment management



A learning company  
supporting dynamic  
professional  
path management

# A good place to work & key recruiter

## Recognized progresses to attract and keep the best talents

- **20,849 persons recruited under permanent contracts** in 2021, among which 58% in Europe for a total workforce of **189,765 FTE** in the world (corresponding to 189,103 physical headcounts under permanent contracts in 2021 vs 192,392 in 2020).
- **7,000 “Leaders for Tomorrow” talents** benefit from dedicated support and development programmes
- Leading position in **S&P’s SAM CSA (top 6%)** mainly due to the recognition of the Group’s actions in “Working practices” (+10 points to 82/100).
- Increased presence on social networks with **more than 1 million** LinkedIn subscribers.

## A qualitative working environment

- The Group’s Health and Prevention Department has remained fully mobilised and the crisis unit, set up and supervised by the Group Executive Committee, was continued in 2021. Bringing together the Head doctor, the HR teams in different regions, the teams responsible for the security of people and property, IT and property management, this unit continues to monitor the evolution of the pandemic and decides on Group measures applicable in all countries, taking into account the recommendations of the health authorities in each State\*.
- The Group still has an international partnership with Europ Assistance on health and safety, to provide support to employees. It relies on International SOS, to support local entities in India, Ukraine and Latin America during the health crisis.
- BNP Paribas ensures a high level of protection and security for employees worldwide. In France, it is one of the ten companies authorized to vaccinate employees and 8,000 vaccinations were carried out from March 2021 to February 2022.
- **We Care** program brings together the entire health and well-being offering around three areas: I take care of myself and others, I identify risky situation and I act

## Smart working and Agile@Scale

- **Remote working** has become a standard in the Group. It is part of the **“Smart Working”** program, which promotes a collective approach based on a team project and supported by work spaces adapted to hybrid team organisation, collaborative tools and people care practices.
- A large **“Agile@Scale”** transformation program was launched based on a common framework and principles. 11 CPBS entities and 2 banking divisions have already launched their agile transformation program

*\*The measures put in place at the start of the pandemic within the Group are applicable to the company’s entire operations. All employees as well as contractors or individuals under the company’s supervision are covered by the Group’s policies on crisis management : measures are decided on a case-by-case basis depending on the crisis situation from a local perspective. The priority of the Executive Committee and the crisis unit is to ensure the protection of the people and their security, notably through implementation of best appropriate sanitary measures (remote working, social distancing, intensified cleaning and disinfecting, hydroalcoholic gel, ...), and provision of personal protective equipment (surgical and FFP2 face masks).*





# A good place to work & responsible employment management

## Quality social dialogue

- **Review of the Global Agreement** signed with UNI Global Union has set up a global social foundation that applies to all of the Group's employees. Results of its implementation shared with Monitoring Committee are positive.
- 293 collective agreements were signed worldwide, a large proportion of which about compensation and/or employee savings and/or retirement protection insurance.
- **Major agreements on remote working were signed in France and in Europe**

## European Works Council (EWC) 5-year mandate

- **22** countries and more than **67%** of the total headcount are covered
- It contributes significantly to the implementation of the **European social charter** including the European agreements on **employment management** (2012), **gender equality** (2014) and **stress prevention** (2017).

## Employee care

- Code of conduct update: the "Respect for Colleagues" section is fully integrated in the Group's actions and decisions. New governance rules include discriminatory behaviors and set common principles for analyzing and processing alerts.
- Mobilization of the occupational health service: crisis unit with Executive committee to share good practices and masks, permanent psychological assistance system, free medical teleconsultation, focus on mental health in the context of lockdown

## Competitive and sustainable compensation policy

- In France, the Group associates its employees with its performance as part of **profit-sharing agreement**. For 2021, **EUR 187 million** were distributed to the estimated **62,026 beneficiaries** (compared to 137 million to 63,646 beneficiaries).
- **CSR performance objectives** are taking into account for 20% of the awards of the 3-year loyalty plan (maturing in June 2024) made in 2021 to over 7,000 key Group employees.



# HR Strategy 2021 – Employee value proposition

## Our Employer Promise

In the context of a competitive job market and challenged by job seekers who have increasingly high expectations of their employer, BNP Paribas decided in 2019 to reinforce the perception of its employer brand to meet the challenges of its HR2020 strategy. The BNP Paribas Groups' Employer Promise is based on 4 fundamental pillars: **A Sustainable & Responsible Global Leader, A Learning Company, An Open-Minded Group, and The Place to Work Differently.**

Aware of the societal challenges posed by the social crisis, the Group continued to recruit during this period. In addition, it continued to provide a quality candidate experience and to support its employees during this special period. To foster **pride of belonging for employees** and **create adhesion from candidates**.

“Together, committing to be a leader for sustainable finance”

## WHO WE ARE



A major player in the financial services industry that is stable and committed to acting for the common good and to helping to change the world to create a better future.



BNP Paribas has a long track record of investing heavily in training and working to facilitate employees' professional development.



A group open to the world. This is demonstrated in the Group's strength in terms of diversity and inclusion. BNP Paribas was built naturally on the basis of its diversity. The never-ending search for innovation and discovery of new trends also illustrates this open-mindedness.

## WHAT WE STRIVE FOR



The Group strives to build an organisation where people really do work differently, where collaboration succeeds, where the manager-employee relationship is grounded in trust, empowerment and accountability, and where flexible work practices are developed.



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# HR Strategy 2021 – Employee centric transformation

- Aims at providing each employee with a **transparent professional path, more personalized HR experiences and training and relevant development opportunities**; all by digitalizing the main HR end to end processes, and applying “positive management” based on trust, respect, empowerment, recognition and continuous feedback

## FROM CUSTOMER CENTRIC APPROACH ...

Responsible Bank  
Client Knowledge  
Customer Experience  
Personalized Offer  
Digital Bank



#NPS

## TO EMPLOYEE CENTRIC APPROACH ...

Responsible Employer  
Employee Knowledge  
Employee Experience  
Personalized Offer  
Digital HR end-to-end



#NPE

- **The main drivers of the strategy are:**
  - Strategic business support to catalyse transformation
  - Improved employee experience to increase engagement
  - Upgrades HR role to stay ahead of the curve
- As a visible step, “About Me” is an internal tool for drawing up a personal development plan, enhancing the skills profile of employees and responding to personalized internal offers. More than **132,000 employees** reported a total of around **2 million** skills in the tool.

HR2020  
Group Human Resources

1 : Net Promoter Score for Customers  
2 : Net Promoter Score for Employees



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# HR Strategy 2021 – Develop personalized training



**189,511\*** employees trained with an average of **21 hours** of training per employee, with a majority of number of hours dedicated to Business lines and functions' technical skills;

As part of the dynamic offer to better develop the skills of the future, the **Digital, Data & Agile Academy** uses **Upskilling, Reskilling** and **Reskilling Boost** courses to guide employees in developing these skills. These are related to 30 identified future jobs in the Digital, Data and Agile areas and providing Managers with the levers to speed up the transformation of the BNP Paribas Group. Since its launch, more than **3,300 employees** (with 43% of women) followed these courses;

The diversity of learning channels (video, virtual classroom, etc.) and shorter formats have enabled employees to continue to train. This, together with the adoption of **Personal Development Plans**, further reinforces that employees are more empowered to drive their own development through the diverse opportunities available across the Group;

The Group considers **intrapreneurship** as a major player in the “world after Covid-19” and source of development for the employees, as demonstrated by the **People'sLab4Good** Corporate Engagement programme to support the realisation of their social or environmental projects. The #Intrapreneurs4Good coalition hosted **20** intrapreneurs to share their sustainable innovation systems;

The program **#1MillionHours2Help** aims to foster more sustainable, equitable growth by allowing all employees to use working time to help charitable organizations build a more inclusive, eco-friendly world. More than 28,000 employees took part in solidarity initiatives of **corporate volunteering** totaling over 509,000 hours of voluntary /solidarity work during working hours.

\* Source: My Development reporting tools, including 98% of the Group's physical headcount on permanent or fixed-term contracts in 68 countries, although other employees (apprentices, employees on vocational training or qualification contracts, interns and casual workers) also receive training.



# HR Strategy 2021 – Job evolution

## Mobility remains a major focus of HR management practises

- In order to promote internal mobility, the Group continued pooling external recruitment and internal mobility within a single platform.
- The global mobility management tool, Taleo, is deployed to more than 179,000 employees in 60 countries.
- In total, the Group has a total of 24,156 transfers in 2021 (23,544 in 2020), up by 3%. In France, **9,438** transfers were carried (almost +12% compared to 2020). In 2021, there were **4,608 transfers** inter-entity and inter-business.
- With communication, an active community on mobility and an increased deployment of internal mobility tools, an average of **16,420** offers were published into the Group tool (MyMobility) among which 48% have been internally filled (proportion of open positions filled by internal candidates increasing compared to 2020).
- For the 8th consecutive year, "Mobility Days" 2021 were organised over three weeks in 42 countries involving more 30,000 digital connections to workshops and conferences



# 2025 GTS people strategy – development of employee potential and engagement

The Group can rely on its teams of **committed professionals** that reflect dynamic skills-development and diversity policies. **People are at the heart of the Group’s priorities** in order to develop the necessary expertise for its collective performance. The employees of BNP Paribas are at the forefront when it comes to bringing the 2025 strategic plan’s ambitions to life, and they will be an essential lever in its success.

This strategy is rolled out along three themes:



### EMPLOYEE EXPERIENCE

Increased focus on employees to offer them an experience that matches their expectations, namely with new ways of working and an agile environment



### HUMAN CAPITAL

Continuously anticipate and adapt our resources, continue to recruit talent and offer mobility, strengthen the development of competencies.



### ETHICS & INCLUSION

Unify teams through a shared culture of inclusion, encourage exemplary behaviours guided by respect and non-discrimination

20K/year

External  
recruitments

20K/year

Internal  
recruitments



*“Attracting and retaining talent from diverse backgrounds will be at the core of our priorities in order to respond to the needs and ambitions of the Group. This means offering an “employee experience” that reflects individual aspirations and building a collective trajectory by which skills can improve.*

Sofia Merlo, Head of Human Resources





BNP PARIBAS

# Being a positive agent for change



Products and services that are widely accessible



Combat social exclusion and support human rights



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



# Our civic responsibility



- BNP Paribas is one of the first signatories of the UN Commitment to Financial Health and Inclusion for the greatest number of people
- The Group continued to support for EUR 367 million Microfinance Institutions (MFIs), significantly impacted by the pandemic, and contributes to the development of green microfinance
- BNP Paribas Cardif (in partnership with the Grameen Creative Lab) supported the launch of Tangata Emploi, an intrapreneurship project aimed at improving the employment rate of people with disabilities
- Nearly 2.4 million people were able to benefit from the opening of a Nickel account at the end of 2021 in France, without conditions, and 80% of holders earn less than EUR 1,500 per month
- The Group's integration programme for refugees in Europe was renewed for three years: in 2021, it allocated EUR 1.5 million to 27 associations in 10 countries





BNP PARIBAS

# Being a positive agent for change



Products and services  
that are widely accessible



Combat social exclusion  
and support human rights



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

# Group support to microfinance (1/2)

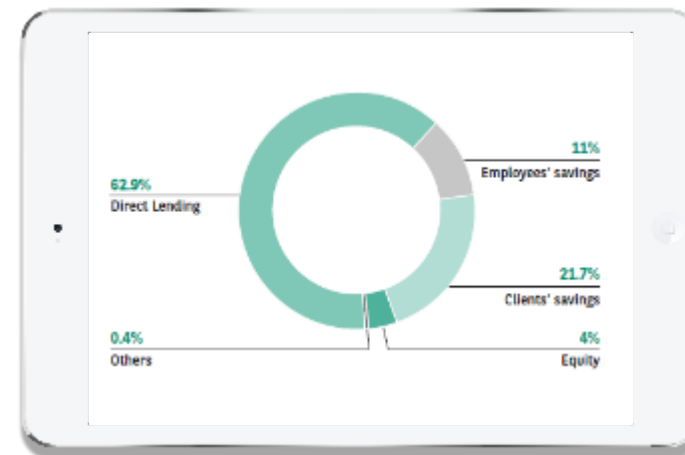
**Objective: A powerful lever of inclusion for people excluded from the traditional banking system**

## 32 years of involvement in microfinance

- BNP Paribas is **the largest bank** amongst the first 28 signatories of the “Commitment to Financial Health and Inclusion for the greatest number of people”, promoted by the United Nations UNEP-FI, via the PRB (Principles for Responsible Banking)
- **Support provided through several levers**, including direct financing of microfinance lenders, the Microfinance Institution (MFIs), investment in specialized funds, creation and development of positive impact funds, distribution of savings products dedicated to microfinance, technical assistance missions, etc.
- Over the past 32 years, the Group’s microfinance activities indirectly benefited **2,4 million people worldwide, of which 83% are women**, thanks to the financing of 84 microfinance institutions (MFIs) in 33 countries.



## BNP Paribas support to microfinance at 31 December 2021



## TOTAL SUPPORT IN 2021: EUR 367 MILLION

- Direct financing of **22 MFIs in 14 countries** and indirect financing of **100 MFIs** around the world.
- The Group deployed new credit lines in Indonesia, India, China and Vietnam to MFIs mainly financing women. New financing are also planned in Morocco and Côte d'Ivoire in the first quarter of 2022



### Microfinance: GOING FORWARD

1

BNP Paribas initiated and led a coalition of private investors in the inclusive finance sector around **green microfinance**, whose purpose is to integrate environmental issues into the operational framework of microfinance. The mission of this coalition is to establish a list of practical indicators analysing the measures taken by MFIs in terms of adapting to climate change and preserving biodiversity

2

The Group also won a call for projects initiated by the GEF announced at the COP 26 in Glasgow. The project consists of developing **a standard and providing certification** to MFIs in order to strengthen the adaptation and resilience capacities of their end customers to climate change





# Access to financing and insurance

**Objective: Innovating to answer the specific needs of fragile customers**



## Customers with disabilities

- **BNP Paribas Polska**, offers various services in branches and online to facilitate access to financial services for the hearing or visually impaired as well as an architecture adapted for people with reduced mobility, the elderly or people with young children. These systems have enabled **75** branches to receive the “Facility Without Barriers” certificate.
- **BNP Paribas Cardif**: Support of digital services and robotics as they offer the possibility of proposing more inclusive services : on the one hand, as an insurer, simplifying medical formalities and on the other hand, as an innovator, relying on Tangata, a platform created by the Group, which lists more than 3,000 services and leisure activities accessible to people with disabilities and their caregivers.



## Customers experiencing financial difficulties

- **French Retail Banking**: development of the AXELLE platform, for customers in difficulty: after signing up to the platform, customers can access inclusive offers on essential products and services to reduce their spending constraints and help with their job search.
- **Nickel**: offers a bank account accessible to everyone from the age 12, without discrimination, conditions or minimum income requirements. As of end 2021, more than 2.4 million Nickel accounts had been opened, 80% of them are opened by persons earning < €1,500 per month.



## Young people

- In September 2021, BNP Paribas launched its **Youth Solidarity Plan of EUR 500,000** to help 14 associations around 3 axes: Educational stability, Precarity and Psychological & physical distress
- BNP Paribas has launched a student loan without guarantor, in partnership with the Article 1 association, with a EUR 20 Mn budget in France. As of 31 December 2021, 1,200 students had benefited from this offer, for a total amount of almost EUR 10 million in loans





BNP PARIBAS

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# Giving support to priority urban areas since 2006 with « **Projet Banlieues** »

2021:  
15 years  
of commitment  
to help deprived  
suburbs

A program that provides long-term support for disadvantaged neighborhoods through three main focuses:



Education

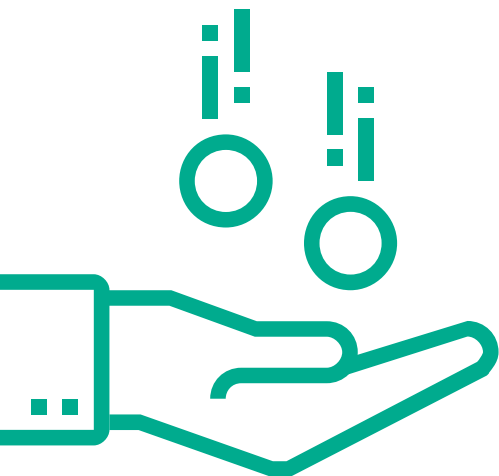


Employment



Living together

This commitment is reflected in hundreds of local initiatives: tutoring, French and foreign language courses, literacy, fostering disadvantaged families, employability training, etc.



Since 2006:

**EUR 26 million**

devoted to **Projet Banlieues**

**900** associations supported

**750.000** beneficiaries

In the context of **COVID**, the BNP Paribas Foundation reaffirmed its commitment in 2021 by doubling the budget allocated to the local initiatives of the Banlieues Project, bringing it to **EUR 1.2 million per year for a period of three years**. This new edition of the Banlieues Project therefore focused particularly on combatting dropping out of school, promoting access to employment, and on digital inclusion.

In 2021, the BNP Paribas Foundation renewed its historic partnership with Afev\* for a period of three years and confirmed its commitment by supporting 150 new initiatives. This association fights against educational and social inequalities in schools, by mobilising a network of student volunteers who support students with academic difficulties

\* Association de la Fondation Etudiante pour la Ville



# Respecting the UN's guiding principles related to business and human rights

- BNP Paribas supports the *United Nations Guiding Principles on Business and Human Rights* and the *OECD's Guiding Principles for Multinational Enterprises*. The Group follows the recommendations of the UNGP Reporting Framework.
- The **Statement of BNP Paribas on Human Rights**<sup>(1)</sup>, signed in 2012 by the General Management, is a Group-wide policy, accessible to all online
- A commitment of the **Group strategy**...
  - CSR Commitment **reflected in commitment 8** “Combat social exclusion and support human rights “
  - “Human Rights” have been identified as a **crucial issue** in BNP Paribas materiality analysis<sup>(2)</sup>
- ... highlighted in **BNP Paribas’ Code of Conduct**<sup>(3)</sup>, “Promoting respect for Human Rights” (7<sup>th</sup> section)
- Pursuant to the **UK (2015) and Australia (2018) Modern Slavery Acts**, the Group annually issues a statement on how it tackles modern slavery and human trafficking. This statement is approved by the General Management and Board of Directors and included in the Group *Universal Registration Documents (URDs)*<sup>(4)</sup>.
- Pursuant to the **French “Duty of Vigilance” law**, the Group has established a vigilance plan to identify and prevent the risk of violations of human rights. This plan is also included in the Group *URDs*<sup>(5)</sup>.
- A signatory of the Global Compact since 2003, BNP Paribas is also a **founding member of EDH**, and takes part in the **Thun Group** and **Human Rights Working Group** of the Global Compact France
- **Training and raising awareness on Human Rights**
  - Dedicated e-learning, compulsory for the CSR network, Risks, Procurement, Sales managers of the BNP Paribas CIB entity, translated in 8 languages and available to all employees.
  - At end 2021, **93%** of the employees assigned had completed the online awareness module. Since 2016, **more than 20,000 employees** have completed this training.



1. [https://group.bnpparibas/uploads/file/uk\\_declaration\\_bnp\\_sur\\_droit\\_de\\_l\\_homme.pdf](https://group.bnpparibas/uploads/file/uk_declaration_bnp_sur_droit_de_l_homme.pdf)  
2. <https://invest.bnpparibas/en/groupe-de-document/universal-registration-document-and-annual-financial-report-2021#page=654>  
3. [https://cdn-group.bnpparibas.com/uploads/file/220204\\_bnpp\\_compliance\\_codeofconduct\\_2022\\_eng.pdf](https://cdn-group.bnpparibas.com/uploads/file/220204_bnpp_compliance_codeofconduct_2022_eng.pdf)  
4. <https://invest.bnpparibas/en/document/universal-registration-document-and-annual-financial-report-2021#page=651>  
5. <https://invest.bnpparibas/en/document/universal-registration-document-and-annual-financial-report-2021#page=644>





# Respecting the UN's guiding principles related to business and human rights

- **Protecting our employees in countries at risk**

- Annual review of countries that are high-risk in terms of human rights: in 2021 the Group operated in no high-risk countries and 25 countries with a worrying situation (source: Verisk Maplecroft), i.e. 20.7% of its total headcount.

- **Commitments expected of suppliers and subcontractors**

- Risk mapping for activities of the suppliers and subcontractors with which the Group has commercial relationships
- Commitment to respect the *Sustainable Sourcing Charter*<sup>(1)</sup> of the Group (1 433 signed in 2021)
- 3 705 suppliers ESG assessments carried out during suppliers' selection in 2021
- In 2020-21, a pilot program of on-site ESG audits was launched with three other banks and a third party assessor

## Management of salient risks...

- **...in the distribution of the Group's financial products and services**

- **Non-discrimination in access to financial services:** the Group strives to boost access to financial services in the communities in which it operates
- **Rights to privacy:** pursuant to the European General Data Protection Regulation (GDPR), data protection is a priority of the Group

- **...in the Group's financing and investment activities (workers and local communities rights)**

- The *Responsible Business Principles*<sup>(2)</sup> state BNP Paribas' expectations towards its clients in terms respect of human rights and fundamental freedoms.
- Risk mapping of the Group's clients that covers all business sectors and all the countries where the Group's clients' legal entities are located to comply with the French Duty of care law.
- Human Rights criteria in financing and investment policies<sup>(3)</sup> and in all the other components of the Group's ESG risk management system (including KYC criteria and exclusion & monitoring lists).
- One of the dimensions of the newly-launched (June 2021) ESG Assessment is the respect of human rights. By end of 2023, all large corporate clients will have been covered by an ESG Assessment.
- A signatory since 2008, BNP Paribas abides by the Equator Principles (EP) for large infrastructure project financing. BNP Paribas updated its own procedures to apply the new version (EP 4) as from its entry into force in October 2020.
- Engagement with clients suspected to be involved, directly or indirectly, in human rights abuses, and dialogue with advocacy NGOs.

1. [https://group.bnpparibas/uploads/file/sustainable\\_sourcing\\_charter\\_eng.pdf](https://group.bnpparibas/uploads/file/sustainable_sourcing_charter_eng.pdf)

2. [https://group.bnpparibas/uploads/file/bnpp\\_responsible\\_business\\_principles\\_ven.pdf](https://group.bnpparibas/uploads/file/bnpp_responsible_business_principles_ven.pdf)

3. <https://group.bnpparibas/en/financing-investment-policies>



# Business case: client dialogue on human rights; mining industry (South America)

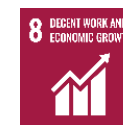


BNP PARIBAS

- **Years:** 2019 and 2020
- **Stakes:** the significant water intakes and the exposure to seismic hazard of a specific mining site, with potential adverse impacts on the local population.
- **Description:** Considering the stakes above, the Group has performed a close monitoring of a mining company in South America. BNP Paribas engaged with the company on the expansion of this site and reminded to the company the importance of human rights issues and CSR management. A dialogue was established between BNP Paribas CSR and coverage teams and the senior management of the company on this specific mine and its potential environmental and social risks.
- **Result:** After a thorough review, BNP Paribas chose not to finance any transaction related to this specific mine due to the E&S related risks, and to continue the dialogue with the company on E&S matters. Long term financing of the mining company is subject to CSR review for each transaction. This dialogue is an opportunity for BNP Paribas, as a financier of this mining company, to share its expectations regarding good practices in the mining sector and respect for human rights.

# Business case: client dialogue on human rights; Retail (South America)

- **Years:** 2020 and 2021
- **Stakes:** Unethical corporate culture
- **Description:** in the wake of several grievous human rights abuses that took place in the vicinity of the stores of a client retail company operating in South America, **BNP Paribas placed the latter on monitoring list.** BNP Paribas engaged with the company on the importance of human rights management and to check what remediation actions were launched by the company. Regular meetings with the company's country top management and BNP Paribas teams (local relationship managers, senior banker and local and group CSR representatives) were organized to monitor the progress. Specific questions were asked about the management of security inside and outside the stores, the assessment and recruitment process for external security forces and the programs in place to fight against racism and to respect human rights.
- **Result:** In the course of a few months, the company was able to implement **satisfactory measures** to manage the controversy, to deeply change its corporate culture to fight discrimination and racism, to update its governance of safety by internalizing this function as much as possible, and by only contracting security guards coming from the civil society complying with their human rights standards. By consequence, **the company was removed from the monitoring list at the end of the engagement phase as it had given sufficient guarantees.**







BNP PARIBAS

# Being a positive agent for change



Products and services that are widely accessible



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



# Corporate philanthropy

## **SOLIDARITY: combating exclusion and discrimination; fostering employee volunteering; supporting education and professional integration**

- Promoting social inclusion (support plan for the integration of refugees renewed: €1.5M in 2021)
- Fostering equal opportunities (*Dream Up, an international artistic education programme for children from disadvantaged backgrounds, has been renewed for the 2018-2020 period, with €1.8m*)
- Supporting employees' commitment through supporting their own projects ("Help2Help" program: €657,000 in 21 countries)

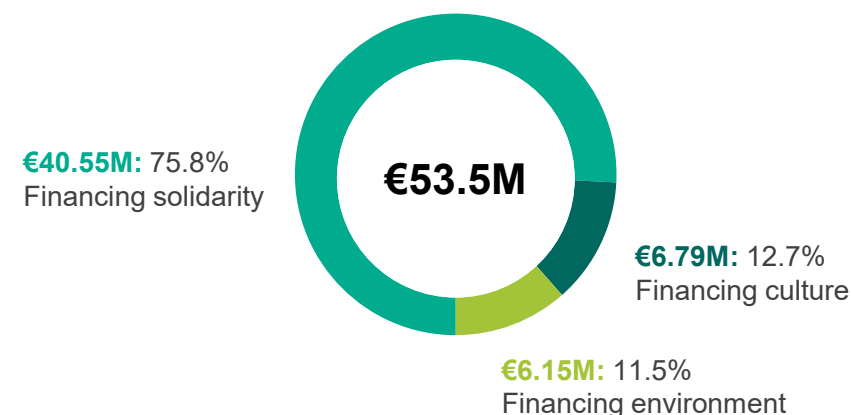
## **ARTS: fostering the performing arts; preserving and enhancing cultural heritage**

- 10<sup>th</sup> anniversary of **Numeridanse** a library of video content of artistic performances in dance, created by the Maison de la Danse (House of Dance) in Lyon. In 2021 the emblematic sponsor, Cédric Klapische gave a masterclass entitled "Cadrer l'incadrable" (Framing the unframeable).
- In 2021, the BNP Paribas Foundation celebrated its 25<sup>th</sup> anniversary of supporting **jazz**: more than 30 artists and groups benefited from it, as well as around thirty French and international festivals and institutions

## **ENVIRONMENTAL RESEARCH: financing and supporting research on climate change**

- Supporting R&D on climate change and biodiversity (€18M support via Climate & Biodiversity Initiative since 2010)
- Raising awareness among internal & external stakeholders
- Taking an active part in collective initiatives Participation in the Hydrogen Council, etc.

### **BNP Paribas' total philanthropy 2021 budget:**



# Unifying employees' generosity

Created in 2012, **the Rescue & Recover Fund** makes it possible to react quickly and effectively worldwide in the event of a humanitarian or environmental disaster.

- **A unique initiative**

- A pioneering solidarity tool: permanently open to all BNP Paribas employees around the world, and retirees and clients in France
- Each donation is matched by BNP Paribas and paid to NGO partners
- 2021 was marked by a record in terms of donations, with **nearly EUR 1.3 million** donated to its partners. Since 2012, **more than EUR 6.4 million** have been donated to on-the-ground actions.
- In 2020, **the fund has also opened up to biodiversity**, with the integration of the NGO IFAW (international fund for the protection of animals) among its other partners : CARE, the French Red Cross and Doctors Without Borders (Médecins Sans Frontières)
- 2021 was marked by **emergency responses** :
  - in India, in the face of Covid-19 health crisis,
  - in Germany, Belgium and Luxembourg, following the exceptional floods,
  - in Haiti in response to the damage caused by the earthquake
  - in Louisiana in the face of the consequences of Hurricane Ida.
- On the occasion of World Generosity Day in November 2021, the Rescue & Recover fund organised its annual campaign to collect donations to support the **fight against violence against women** through three projects in Latin America, France and Kenya.



# Committed employees showing solidarity

## THE #1MILLIONHOURS2HELP PROGRAM

BNP Paribas recognises its responsibility to use the significant resources at its disposal – finance, intellect, creativity –  
**to lead the way towards a more sustainable future**



What?	<ul style="list-style-type: none"><li>Reaching a total volume of <b>1 million paid solidarity hours at Group level annually</b> focused on the following themes:<ul style="list-style-type: none"><li>Promoting the <b>social inclusion of young people</b></li><li>Accelerating the <b>energy transition</b> and fostering the preservation of <b>biodiversity</b></li><li>Supporting <b>local entrepreneurship</b> initiatives</li><li>Improving <b>local communities</b> where we are located</li></ul></li></ul>
How?	<ul style="list-style-type: none"><li>In average half a day (4 hours) of corporate volunteering and solidarity hours per employee per year, on a voluntary basis:<ul style="list-style-type: none"><li>Corporate volunteering</li><li>Pro bono</li><li>Other solidarity hours or actions</li></ul></li></ul>
Who?	<ul style="list-style-type: none"><li>All group employees</li></ul>
Where?	<ul style="list-style-type: none"><li>All Group entities and territories</li></ul>
Why?	<ul style="list-style-type: none"><li>In order to comply with UNI World Agreement commitments</li></ul>
Results	<ul style="list-style-type: none"><li>In 2021, more than 28,000 employees stated that they had been involved in solidarity initiatives in favour of civil society totalling over 509,000 hours, either during working hours or outside of working hours with compensatory leave.</li></ul>



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# Accelerating the ecological and energy transition



Enabling our clients  
to transition  
to a low-carbon economy  
respectful of  
the environment



Reduce the  
environmental footprint  
of our own operations



Advance awareness  
and sharing of best  
environmental  
practices

# Our environmental responsibility



## 2021 Highlights

- BNP Paribas has created the Low-Carbon Transition Group, comprising in the long term a total of 250 professionals dedicated to financing the energy transition of its customers;
- The Group is positioned as the 2nd global player in the green bond market according to Dealogic, with EUR 22 billion as bookrunner for its clients;
- BNP Paribas has published a position on the preservation of biodiversity and has set a target of EUR 4 billion in funding contributing to the protection of biodiversity by 2025;
- The Group has strengthened its policy of combating deforestation, particularly in Brazil, which has enabled it to be ranked 1st among 150 financial institutions by the NGO Global Canopy;
- BNP Paribas and Solar Impulse launched a fund of EUR 150 million to support innovative start-ups with high potential in the ecological transition;
- Two Group experts have joined the Taskforce on Nature-related Financial Disclosure (TNFD), which aims to provide a framework for financial institutions to better describe their risks, dependencies and impacts on nature. The TNFD was set up thanks to a multi-stakeholder working group co-chaired by BNP Paribas, with work completed in the summer of 2021.



# Being a leader in combating climate change (1/3)

## BNP Paribas is committed to reduce its impact on climate change

As a bank with a presence in 65 countries and financing all kind of sectors, BNP Paribas' activities have two types of impacts:



- In 2021, BNP Paribas' environmental reporting, including both direct and indirect impacts, was rated A- by the CDP for the 8th year in a row.
- In 2022, the Forest 500 Report from data-driven non-profit Global Canopy, ranks BNP Paribas as the leader among global financial institutions for fighting deforestation



*"Biodiversity and forests in particular are key issues for our future, and they are **closely linked to the climate**. BNP Paribas has been one of the first banks to commit to making progress regarding deforestation and we have been very involved in the implementation of the TNFD, which will help orient financial flows toward activities that are more respectful of nature,"*

**said Antoine Sire, Head of Company Engagement.**

*Even though the Global Canopy report has recognized this work, it also shows us to what extent there is still much to do, both within our own Group and within the whole of the financial sector."*





# Being a leader in combating climate change (2/3)

## Participation in several working groups and industry initiatives in favour of the energy transition



### BNP Paribas

- Supports and implements the **TCFD recommendations** which aim to facilitate and standardize financial communication on environmental issues. The Group participated to working groups to define the implementation of the recommendations for banks, and published its second TCFD report in May 2021
- Signed the **Katowice commitment** in 2018, and joined the **Collective Commitment to Climate Action** in September 2019, under the aegis of the **UNEP Finance Initiative**. The Group has therefore committed to developing tools which will bring its credit portfolio in line with the objectives of the Paris Agreement
- Made a commitment to the **Science Based Targets Initiative** and participates in working groups set up to develop a methodology to set objectives for financial sector companies
- Joined the **Net Zero Banking Alliance** in April 2021, and thus commits to take additional actions to help achieving carbon neutrality by 2050
- Member of the **Financial Services Taskforce** (FSTF) and co-authored its '**Practitioner's Guide**' which aim to help banks implement a robust net-zero strategy



## Being a leader in combating climate change (3/3)

### Publication of BNP Paribas' third TCFD report

- Since 2011, BNP Paribas has been strongly engaged in the fight against climate change and worked to align its activity with the objectives set by the Paris Climate Agreement. BNP Paribas has therefore endeavoured for several years to identify, analyse, and manage the climate-related risks and opportunities for the Group and its clients;
- In 2017, BNP Paribas CEO Jean-Laurent Bonnafé publicly supported the release of the final recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), which have been supported and implemented by the Group since then;
- Also, within BNP Paribas, Jane Ambachtsheer (Global Head of Sustainability, BNP Paribas Asset Management) is a member of the TCFD;
- On May 2022, BNP Paribas published its third dedicated and stand-alone TCFD report, which represents an additional step toward leading this alignment with constructive transparency, a central concern of the 21<sup>st</sup> century.

Link to the report: [https://cdn-group.bnpparibas.com/uploads/file/tcf\\_d\\_report\\_2021\\_eng.pdf](https://cdn-group.bnpparibas.com/uploads/file/tcf_d_report_2021_eng.pdf)



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BNP PARIBAS

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Reduce the  
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# BNP Paribas invests in venture capital and impact investment to support the ecological transition

## VENTURE CAPITAL

In 2015, following the COP21 summit in 2015, BNP Paribas allocated **100 million euro** of its own equity to invest in young Innovative companies of the **energy transition** and thus to support them in their growth. For this, a venture capital team dedicated to energy transition has been set up.

In 2021, BNP Paribas has Invested in **10 startups** and **3 funds** on topics such as **energy efficiency, energy storage, sustainable mobility**.

In 2021 the Group committed an additional **150 million euros** in equity to support start-ups and extended the scope of these investments to the **ecological transition** including support to innovation in areas such as **biodiversity, sustainable food and the circular economy** and in this context made **2 new investments in 2022**.

Part of this additional envelop participates to the financing together with the **Solar Impulse Foundation** of the **BNP Paribas Solar Impulse Venture fund**, which intends to invest directly **150 million euros in startups** with high potential and committed to the ecological transition, in order to accelerate their development and help them to scale up. Established in particular in Europe and the United States, the startups selected by the fund will have the “**Solar Impulse Efficient Solutions**” label.

## IMPACT INVESTMENT

In 2021, the Group committed an additional **155 million euro** to impact investment for a total envelop of **200 million euro**. BNP Paribas extended the scope of the impact investment envelop beyond **social impact**, to include **natural capital** and **local development**.

For this, a dedicated team dedicated has been set up, to invest indirectly in funds or directly in companies or projects.

Among these innovative companies are for example:

- ✓ **Germany-based Heliatek** that develops an **organic photovoltaic film** that has the potential to disrupt the PV market in urban areas,
- ✓ **France-based Metron** that is deploying internationally a digital solution that allows companies to **measure and boost energy efficiency at their industrial sites**.
- ✓ **France-based CarbonWorks** that is developing a technology that allows mass production of microalgae to capture carbon
- ✓ **UK-based Naturemetrics** that is making biodiversity measurable by generating data at scale using DNA traces obtained from the environment

€250M

of equity dedicated to start-ups involved in the environmental transition

€200M

of equity dedicated to start-ups involved in the environmental transition



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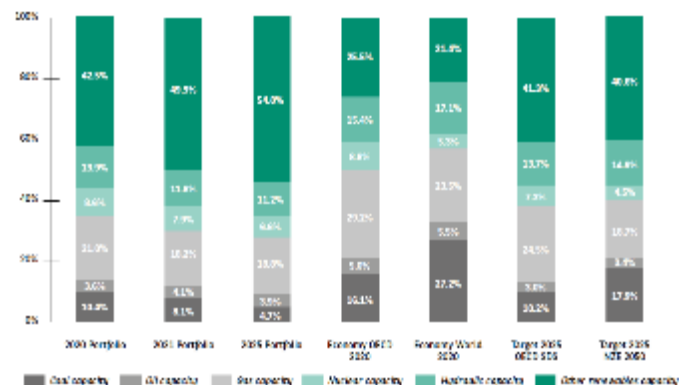
# A less carbon-intensive loan portfolio, more oriented towards renewable energies

## Major participant in the renewable energy sector

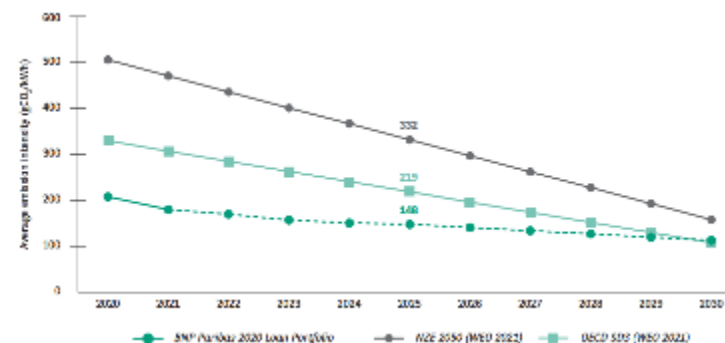
- EUR 18.6 billion financing to renewable energy in 2021 (EUR 17.8 Bn in 2020) thus, the Group reached its target of EUR 18 billion.
- In China, BNP Paribas has played several key roles (including Lead Arranger) in the implementation of the TESS joint venture between TotalEnergies and Envision Energy, a Chinese renewable energy company, which aims to install 170 MW of photovoltaic panels on roofs in the country.

## Financing electricity and energy mixes that rank better than the world mix (electricity mix and primary energy mix as well)

- In line with the Paris Agreement**, BNP Paribas is committed to reducing the kWh carbon content financed as rapidly as the world average is due to fall under SDS scenario of the OCDE
- In 2019, BNP Paribas announced a **timeframe for a complete thermal coal exit**, which has been reinforced in May 2020 now committing the Group to cease all its financing to utilities using thermal coal in their electricity production by 2030 in all OECD countries and by 2040 in the rest of the world



The electricity mix is calculated in capacity, according to the PACTA methodology. It is extremely representative of the Group's customer base as 98% of outstandings for electricity producer customers are taken into account in this calculation. **The mix shows a less carbon-intensive loan portfolio, that is more oriented towards renewable energies both in 2021 and by 2025** when compared to the IEA's NZE 2050 and OECD SDS scenarios.



- The intensity of direct CO2 emissions of the portfolio is below the global average and is in line with the IEA NZE 2050 and OECD SDS scenarios by 2025
- From 2021, the portfolio's emission intensity is calculated using scope 1 emission factors. Using 2020's life cycle emission factors by technology, the portfolio intensity is 176 gCO2e/kWh by 2025 and an improvement of 15% compared to the same projection made using last year's portfolio (projected in 2025, it will be 148 gCO2/kWh). It is also lower than the global average and is in line with the IEA's OECD SDS and NZE 2050 scenario



# Strong growth in the offer of “green” products and services



## Renewable energies

- **EUR 18.6 Bn** as of end 2021
- 2025 target: EUR 30 Bn



## Preservation of biodiversity

- A **EUR 3 Bn** target for funding related to the protection of terrestrial biodiversity (by 2025)
- A target of **EUR 250 million** to be invested by the end of 2025 in start-ups mobilized for the ecological transition



## Protection of the ocean

- Management of the financing of sensitive activities and support of initiatives respectful to the marine ecosystems and human beings, including **EUR 1 Bn** to finance the ecological transition of ships by 2025



## Management of Sustainable funds

- BNP Paribas AM applies a global ESG filter and provides thematic funds linked to SDGs, as the BNP Paribas Ecosystem Restoration (June 2021) offering exposure to companies engaged in the restoration and preservation of global ecosystems and natural capital (SDGs #2, #6, #11, #12, #14 and #15).



## Green bonds

- **2<sup>nd</sup>** global player in terms of green bonds according to Dealogic, with **EUR 22 billion** as bookrunner for its clients
- For the 4<sup>th</sup> consecutive year, BNP Paribas was designated Lead Manager of the Year for Corporate Green Bonds in the Environmental Finance Awards 2021



## Sustainability-Linked Loans (SLL)

- **Tailor-made loans** with lower rate if environmental and/or social criteria **matching the clients' strategy** are met



## Sustainable Deposits

- Short-term investment offer for corporate clients, developed in 2020; Approach based on the methodology for measuring the contribution to the SDGs, reviewed by V.E (now Moody's ESG)
- EUR 1.3Bn as of end 2021 / Traded with 20 clients since inception



## Climate indices

- At the end of 2021 ESG indices assets amounted to 5.3 billion euros
- €9bn ETF range assets shifted to ESG indices or the Paris Aligned Benchmark (PAB) with further plans to switch the whole range in 2022,

*\*Sovereign, Supranational and Agency*



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# Green hydrogen, an important lever to fight climate change

## A key element to decarbonize our economy

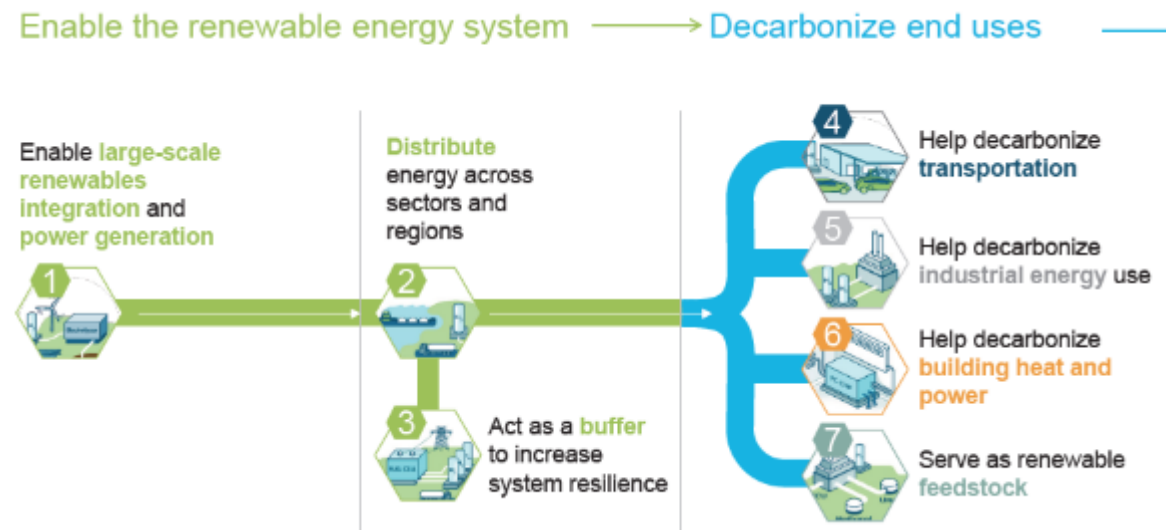
- Hydrogen is considered as a **key tool to decarbonize our economy**. Low carbon hydrogen is instrumental in the integration of intermittent renewable energies and the decarbonization of heavy transportation and industrial activities

## Public and private sectors actively support the development of hydrogen

- Hydrogen is one of the key elements of the European Green Deal
- 30 countries have dedicated strategies and funding: France (€7bn before 2030), UK (£4bn), Germany (€9bn), USA, Japan
- 359 large-scale projects have been announced worldwide
- \$500bn allocated worldwide to hydrogen investments

## BNPP is committed to the supporting green hydrogen

- BNPP is an active member of the Hydrogen Council, a CEO-led initiative of 120+ international companies aiming at supporting the hydrogen technologies to meet climate goals
- BNPP supports the development of green hydrogen by providing financing for companies and projects. Technical expertise and know-how are being built
- BNP Paribas has developed a cross-functional, global "Hydrogen Squad" of **30 people** to finance and support the development of the most promising hydrogen solutions.



Source: Mc Kinsey for the Hydrogen Council, 2019

"Sustainable hydrogen is very likely to become a key element of our clients' energy transition. It is therefore important that BNP Paribas' business lines take proactive approaches in this area."



"Projects already underway and those to come help us to better understand the path our clients and the industry may take. Local ecosystems using green hydrogen will likely receive funding first and should drive the subsequent development of larger hydrogen ecosystems."

said Jean-Laurent Bonnafé, Director and CEO of BNP Paribas



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# Business case: Project finance: Hydrogen Refueling Solutions (France)



BNP PARIBAS

- **Sector:** Energy
- **Sustainability objective:**
  - ✓ To promote the development of hydrogen in the transport sector,.
- **Description:** The Group is involved in supporting the hydrogen sector as a whole: BNP Paribas Leasing Solutions has set up a partnership to finance hydrogen filling stations with Hydrogen Refueling Solutions, a Grenoble-based company that designs high-capacity hydrogen filling stations for light vehicles such as cars, cabs and forklifts, as well as heavy vehicles such as trucks and buses. And Portzamparc, a subsidiary of BNP Paribas and the stock market specialist of BNP Paribas Private Banking, provided support to the company during its initial public offering in February 2021.
- **BNP Paribas' role:** partner and support



# Business case sovereign green bond: United Kingdom government

- **Amount:** £10bn (€12bn)
- **Sustainability Framework:**
  - ✓ **Clean Transportation** – includes low and zero emission mobility and research and development as a commitment to ending the sale of new petrol and diesel cars and vans in 2030
  - ✓ **Renewable Energy**
  - ✓ **Energy Efficiency** – for the commercial, public and industrial sectors
  - ✓ **Pollution Prevention and Control** – Reduction of air emissions and greenhouse gas control, waste prevention and reduction
  - ✓ **Living and Natural Resources**
  - ✓ **Climate Change Adaptation** – Flood protection, resilience and other risk mitigation programmes, plus data driven climate-monitoring solutions
- **Description:** In 2021, the UK government made history by issuing the world's largest-ever sovereign green bond, with its £10bn 12 years Green Gilt, a sustainable finance innovation designed to accelerate the economy's transition to net-zero.

The deal was ten times over-subscribed. Her Majesty's Treasury's decision to issue a green bond of this magnitude aligns to UK government's Ten Point Plan for a Green Industrial Revolution which strives to protect the environment, boost green jobs and accelerate the economy's path to reach net-zero by 2050. Moreover, the UK will report on the environmental and social co-benefits – a first for any sovereign green bond – of the projected use of proceeds.
- **BNP Paribas' role:** joint bookrunner





# Business case sovereign green bond: Republic of Chile

- **Amount:** £4.25bn (€3.8bn)
- **Sustainability Framework:**
  - ✓ **Green:** Includes new energy efficiency projects, green building projects, and new electric buses;
  - ✓ **Social:** Includes support for vulnerable populations; job creation and support of microenterprises; low-income housing; access to education, food security, and essential health services; prevention of unemployment derived from socioeconomic crises (such as COVID-19).
- **Description:** In 2021, the Republic of Chile has launched pioneering \$4.25bn multi-tranche green and social bonds across USD and EUR, the first-ever multi-tranche, dual-currency, dual-ESG label issuance. It is the latest in a series of landmark issuances for Chile since its inaugural sovereign green bond issuance in 2019, the first in the Americas.

Sustainable finance continues to evolve across Latin America, and sovereigns play a key role in driving this transition. BNP Paribas has been involved in several milestone issuances that have contributed to the region's reputation as a home for innovation in sustainability.
- **BNP Paribas' role:** Billing and Delivery Agent on the offering and joint-lead banks



# Business case green bond: Fedex delivers on decarbonation and diversity (USA)

- **Sector:** Transportation
- **Amount:** €600m
- **Sustainability Framework:**
  - ✓ **Clean transportation:** rollout of electric and other zero emission-powered vehicles , increased use of biofuels in aviation,...
  - ✓ **Green buildings and energy efficiency:** on-site photovoltaic (PV) solar systems, reduce waste in packaging or increase material re-usability
  - ✓ **Research into carbon sequestration**
  - ✓ **Socioeconomic advancement and empowerment:** improve the social impact of the supply chains by increasing the diversity of suppliers.
- **Description:** FedEx Corp. launched its first sustainable bond, a €600m, 8-year maturity that was part of a \$3.25bn multi-tranche issuance, including two in US dollars and two in euros. The bond issuance fits in with the ambitious plans FedEx unveiled in March 2021 to achieve carbon-neutral operations globally by 2040 – a decade earlier than the goals of the Paris Agreement. FedEx is joining a growing number of large players in the mobility sector that are using sustainable finance as an efficient tool to reach their net zero targets.
- **BNP Paribas' role:** joint bookrunner



# Business case sustainability-linked loan: HP focus on carbon reduction and inclusion goals (USA)

- **Sector:** IT
- **Amount:** \$5 bn (€4.5bn)
- **Sustainability targets (KPIs):**
  - ✓ Reduce absolute Scope 1 and 2 GHG emissions
  - ✓ Double the number of Black and African Americans among US-based executives by 2025 (measured from 2019 baseline)
- **Description:** In 2021, HP reinforced its commitment to positive impact by announcing ambitious goals for climate action and diversity, inclusion and equity. HP's SLL aligns with the company's Sustainable Impact strategy and its goals of achieving net zero greenhouse gas (GHG) emissions across the HP value chain by 2040. The SLL also features a social target of doubling the number of the company's Black and African American US executives by 2025.

The pricing of the SLL will increase or decrease based on whether HP reaches those targets, providing a financial incentive for the company to meet these goals. HP will report its progress against the targets in the company's annual Sustainable Impact report and will obtain third-party verification on its GHG emissions progress.
- **BNP Paribas' role:** Sole Sustainability Coordinator, Joint Lead Arranger and Joint Bookrunner





# Business case sustainability-linked loan: M&S integrates net-zero roadmap metrics (UK)



BNP PARIBAS

- **Sector:** Retailer
- **Amount:** £850mn (€1 013mn)
- **Sustainability targets (KPIs):**
  - ✓ Percentage of soy from physically certified deforestation and conversion free supply chains
  - ✓ Percentage of polyester in clothing and home products coming from verified recycled sources
  - ✓ Reducing Scope 1 and 2 emissions from property estate
  - ✓ Cumulative number of individual disposable units of plastic packaging that have been removed from packaging portfolio
- **Description:** In 2021, Marks and Spencer, one of the UK's largest retailers has integrated its new net zero strategy into its financing approach by embedding emissions reduction focused KPIs into its latest £850mn lending facility. The company recently launched Plan A, to focus on achieving net zero (including scope 3) by 2040. The SLL supports M&S Plan A objectives through targeting four environmental KPIs which are part of the roadmap to net zero and will be publicly reported on an annual basis.
- **BNP Paribas' role:** Sole Sustainability coordinator, sole Documentation and RFR coordinator and joint mandated lead arranger and bookrunner



# Business case sustainable financing: the world's largest single site solar plant (Abu Dhabi)

- **Sector:** Energy
- **Total cost:** \$1bn (€0.9bn)
- **Sustainability targets:**
  - ✓ Reduce Abu Dhabi's CO2 emissions by more than 2.4 million metric tons per year
- **Description:** In 2021, BNP Paribas was designated as sole lead bank for the new largest solar power plant of the world, namely Al Dhafra PV2, located in Abu Dhabi. The new solar site will deploy the latest innovations in crystalline bifacial solar technology, which will enable the generation of more power by using both sides of the solar panel.

This project, procured by the Emirates Water and Electricity Company (EWEC) and developed by *EDF Renouvelables* and Jinko Power, in partnership with TAQA Group (the Abu Dhabi National Energy Company) and Masdar, will use approximately 4 million solar panels, generating enough electricity to sustain power for up to 160,000 homes across the UAE. This project is in line with the UAE's commitment to source 50% of its energy from clean resources within the next 30 years.
- **BNP Paribas' role:** Sole Bookrunner, Documentation Bank, Mandated Lead Arranger and Hedge Provider

# Business case investment: IONITY announces investment to drive EV uptake across Europe (Germany)



BNP PARIBAS

- **Sector:** Transportation
- **Amount:** €700m
- **Sustainability targets:**
  - ✓ The electrification of the mobility sector is increasingly urgent to achieve **net-zero targets and stay on a 1.5-degree Celsius trajectory**.
  - ✓ IONITY's expansion will help **remove a major hurdle to the adoption of electric vehicle** and reduce the risk of range-anxiety around long-distance travel.
- **Description:** **Last November**, IONITY, Europe's leading high-power charging network, announced a €700m investment to accelerate the Europe-wide expansion of its network and improve the customer charging experience. The combined investment comes from existing IONITY shareholders, together with a new partner, the BlackRock Global Renewable Power Platform. The investment will enable IONITY – which is open to drivers of all electric vehicle brands and present in 24 countries – to increase the number of high-power 350kW charging points by more than four times, to reach 7,000 by 2025. The expansion will also see IONITY grow from 400 to more than 1,000 locations along high traffic corridors in Europe, as well as enhancing existing sites with additional charging points.
- **BNP Paribas' role:** exclusive financial advisor





# Business case transition export development guarantee (transition EDG): Wood PLC receives UK's first transition EDG (UK)



BNP PARIBAS

- **Sector:** Consulting & Engineering
- **Amount:** €540m (£450m)
- **Sustainability targets (KPIs):**
  - The Transition EDG facility for Wood included KPIs linked to the share of export revenue related to :
    - ✓ Energy transition
    - ✓ Sustainable infrastructure
    - ✓ Reductions in scope 1 and 2 carbon emissions
  - Provide a climate transition plan, which is “credible, ambitious, detailed, and quantitative.”
- **Description:** In a significant milestone towards net-zero, the UK government announced it will no longer finance fossil fuel projects overseas. Instead, on **August 2021**, the UK government announced a €540 (£430) million transition loan for Wood Plc, the first-ever transition loan backed by UK Export Finance (UKEF), a government agency. The interest rate on the Transition EDG will be linked to the company achieving KPIs linked to export revenues (see above).  
This loan will help Wood continue to transition away from fossil fuels and to capitalise on opportunities linked to clean energy, hydrogen and decarbonisation.
- **BNP Paribas' role:** Joint Global Coordinator, Bookrunner, Mandated Lead Arranger



# Partnering with our clients in the transition to a low-carbon economy (1/2)

## Fully supporting corporate clients in their energy & environmental transition

### Support for SMEs in Domestic Markets to help them reduce their energy consumption

- In France, a broad-based solution has been developed by Arval, BNPP Rental Solutions, BNPP Leasing solutions, and their partner Economie d'Énergie (EDE), to reduce energy consumption of French SMEs in three areas of operation: real estate, transport & mobility, movable assets. At end-2020, total support stood at above EUR 3 billion.

### Arval & BNP Paribas Leasing Solutions: greener vehicles for their clients

- Arval has placed sustainability at the heart of its strategic plan for 2020-2025, “Arval Beyond”, with two new offers: “Good for Your, Good for Me” and “360° Mobility”. A new CSR strategy, with ambitious targets for 2025, including **700,000 electrified vehicles** in the leased fleet, and a **35% reduction in this fleet's CO<sub>2</sub> emissions** compared to 2020, was released by Arval.
- BNP Paribas Leasing Solutions and BNP Paribas CIB completed the first long-term leasing of **trucks**, offered by Hyundai, running on **hydrogen** produced by hydroelectricity

### BNP Paribas Real Estate Services: offering companies responsible real estate

- In 2020, BNP Paribas Real Estate stood out in its asset management business. The subsidiary launched the EIPF fund, the first European institutional real estate fund in line with the Paris Climate Agreement with Capital commitments of EUR 300 million from institutional investors. It aims to reduce the greenhouse gas emissions linked to its investments by **40% in ten years**..

### Supporting businesses in the shift towards carbon neutrality

- In 2021, BNP Paribas created the “Low Carbon Transition Group”, mobilizing global resources to contribute to the acceleration of its corporate and institutional clients' transition to a sustainable and low-carbon economy. This dedicated organization will build on BNP Paribas' leadership in capital markets and sustainable finance and 100 new recruitments will be part of a 250-professionals team.
- As a member of the Sustainable Market Initiative's Financial Services Taskforce (FSTF), BNP Paribas contributed to draft the paper of the Taskforce supporting the development of high-quality voluntary carbon credits. BNP Paribas consider that voluntary carbon markets can play a key role in the strategies used to achieve the target of net zero carbon.



# Partnering with our clients in the transition to a low-carbon economy (2/2)

## Helping retail banking customers lower their energy consumption

### Retail Banking support to customers:

- French Retail Banking has developed the Eco-solutions range: Mon Empreinte Carbone (My Carbon Footprint) on the mobile apps of MaBanque BNPP and Hello bank! to enable customers to estimate the carbon footprint of their daily expenses, and an offer of loans at preferential rates (eco-friendly car loan, Énergibio loan);

### Support for the energy renovation housing

- French Retail Banking has co-developed the “monprojetrenovation.com” website, which offers a complete programme, from energy diagnostics to identifying eligible subsidies and tax credits;
- BNP Paribas Personal Finance joined forces with EDF to create Domofinance which offers an energy renovation loan solution adapted to condominiums; In Paris, Domofinance supported a EUR 12 million multi-building renovation
- In Belgium, Poland and the United States, BNP Paribas’ subsidiary offered green energy loans at reduced rates for projects that include energy efficiency work or for property that meets strict criteria for environmental certification and energy consumption.

### Consumer loans to finance more sustainable goods

- BNP Paribas Personal finance developed innovative offers to help its customers acquire assets that support their ecological transition.
  - BNP Paribas Personal Finance acquired a minority stake in Evollis, a digital platform that manages the take-back of second-hand products
  - In 2021, BNP Paribas Personal Finance promoted access to more sustainable mobility through the implementation of a platform to help choose an ecological vehicle, the Green Car Simulator;





# BNP Paribas contributes to the protection of biodiversity

## Support solutions contributing to terrestrial and marine biodiversity



BNP Paribas has published **a public position on biodiversity** including **criteria on deforestation** aiming at assessing soy and beef producers and negotiators

- **Strategy** aiming at zero deforestation by 2025
- **Full traceability** of channels by 2025 and exclusion of suppliers not in line with the target
- **No beef or soya on processed areas:** Amazon after 2008, Cerrado after early 2020



BNP Paribas strengthens its **commitments to preserving biodiversity** in the context of the **act4nature** initiative of the **EpE** association, including:

- Evaluation of **all its corporate customers** on criteria linked to biodiversity by 2025
- **€250 million** invested in start-ups mobilised for ecological transition and **€55 million** dedicated to protecting and restoring natural capital
- Exclusion covering two biodiversity-rich regions: the **Arctic National Wildlife** Refuge and the **Amazon Sacred Headwaters**

**€4bn  
by 2025**

Amount of financing to companies contributing to protect terrestrial and marine biodiversity



A comprehensive approach, including all types of stakeholders

- BNP Paribas is a member of the **TNFD\*** which has just released its 1st beta framework
- Develop **BNP Paribas Ecosystem Restoration fund**
- Banco BNP Paribas Brazil is **a member of the Brazilian Coalition on Climate Forests and Agriculture**
- **Partnership with the CDP** to accelerate the development of biodiversity measurement indicators
- BNP Paribas Asset Management has chosen the consortium formed by **Iceberg Data Lab and I Care & Consult** to develop a tool enabling investors **to measure the impact** of their investments in terms of biodiversity

\*Taskforce on Nature-related Financial Disclosure



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# Business case: sustainable linked loan: Acciona - Biodiversity (Spain)



BNP PARIBAS

- **Sector:** Utilities & Waste Management
- **Amount:** €3.3bn
- **Sustainability targets (KPIs):**
  - ✓ Positive local impact,
    - Tree conservation and planting
    - Training vulnerable groups
    - Providing clean energy for isolated rural communities
  - ✓ 60% reduction in greenhouse gas emissions by 2030.
- **Description:** The fight against Climate Change, sustainable use of natural resources and protecting biodiversity are the main foundations of ACCIONA's environmental strategy. ACCIONA Energía's ESG target is to align 95% of its investments with the European taxonomy of low-carbon activities. The facility has been structured using an innovative ESG "double impact" scheme that links reductions in their cost to the achievement of corporate sustainability goals and -for the first time in an instrument of this type- to generating a positive local impact. The introduction of quantifiable local impact objectives also marks an innovative approach to ESG financing.
- **BNP Paribas' role:** syndicated bank



# Actively contributing to the transition to the circular economy



## BNP Paribas has significant opportunity in financing and investing in the circular economy

- The linear economy of take-make-dispose value chains is exhausting our planet's resources. The **growing scarcity of critical resources** represents significant risk through market disruption, increasing costs and reputational risk
- The circular economy represents **€1.8 trillion opportunity\*** in overall benefits for Europe by 2030
- As a significant international banking group, BNP Paribas has **many opportunities** to invest in the circular economy to accelerate the transition and profit from market disruption



## BNP Paribas has been actively contributing to the transition to the circular economy

- The BNP Paribas 3 Step IT joint venture offers companies a complete service for managing their technological equipment **at each stage of its life cycle** through a circular economy approach
- BNP Paribas Personal Finance acquired a minority stake in Evollis, a digital platform that manages the take-back of second-hand products
- BNP Paribas Cardif joined forces with Back Market to launch an insurance for refurbished mobile phones, tablets and laptops

**€0.85bn  
by 2025**

Amount of production in  
BNP Paribas 3 Step IT circular model

\* from 'Growth Within: A Circular Economy Vision for a Competitive Europe', developed by the McKinsey Centre for Business & Environment with the Ellen MacArthur Foundation

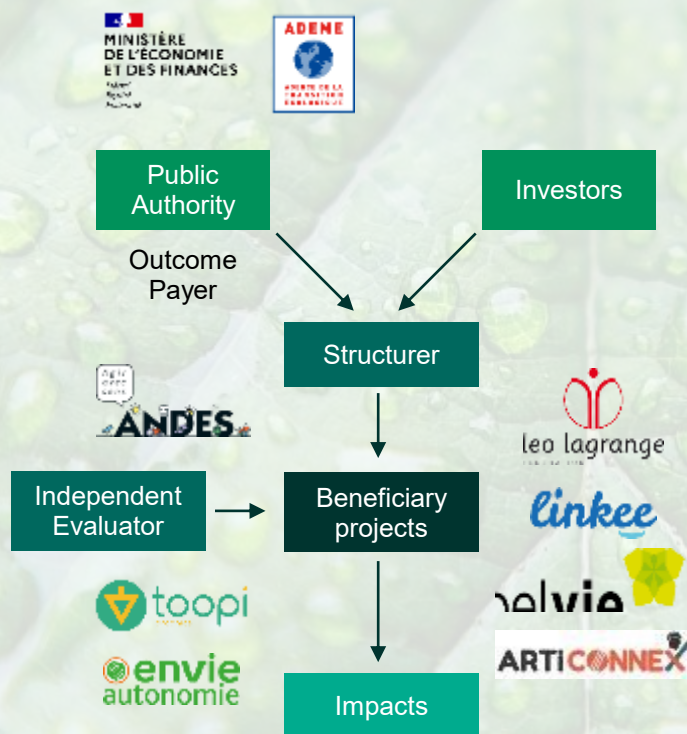


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# Business case: Impact bond: Circular economy (France)



- **Amount:** €23mn

- **Description:** An Impact Bond is a financial mechanism that aims to respond to a social or environmental problem by facilitating collaboration between investors, impact structures and the public sector. Inside this mechanism the independent evaluator's role is key. First, it makes it possible to collectively define the success of the project since all the stakeholders agree on the impact indicators to be achieved and on the way to do it. Then, the evaluation of the impact by a third party therefore allows the construction of a system that will give credibility to the mechanism. Based on the results verified by the appraiser, repayment of investors is triggered. In 2020, the Secretary of State for the French Social and Solidarity Economy relaunched the mechanism of impact bonds. The first, sponsored by ADEME at the end of 2020, concerned projects related to the development of the circular economy.

BNP Paribas will structure seven winners.

- **Circular projects:**

- ✓ Linkee and Andes: fight against food waste
- ✓ Envie Autonomy: Reuse, recycling and affordability of medical equipment,
- ✓ Toopi Organics: collection and valorization of human urine as soil fertilizer
- ✓ Leo Lagrange: induce ecological behavioral changes through games and challenges in schools
- ✓ Articonnex: the reuse and recycling of building materials.
- ✓ Label Vie: eco-responsible policy and behaviours in childcare facilities

- **BNP Paribas' role:** structurer and investor

# Business case: sustainable linked bond: L'Oréal

## - Circular economy (Europe)



BNP PARIBAS



- **Sector:** Consumer goods

- **Amount:** €1,250mn

- **Sustainability targets (KPIs):**

The Sustainability-Linked Bond (SLB) is tied to L'Oréal's achievement of three Sustainability Performance Targets:

- ✓ 50% of the Group's plastics used in packaging will be either from recycled or biobased sources by 2025.
- ✓ Absolute Scopes 1 and 2 GHG emissions at all L'Oréal operated sites reaching zero by 31st December 2025
- ✓ Reduction of Scopes 1, 2 and 3 GHG emissions on a "cradle-to-shelf" scope by 14% per sold product by 2025 from a 2021 base year

- **Description:** L'Oréal Groupe has undergone an internal transformation process since 2019 to ensure it operates within planetary boundaries. This led to the Group setting 2030 objectives on climate, water, biodiversity, and natural resources in accordance with scientific experts. L'Oréal's decision to issue its inaugural bond with a sustainability-linked tranche in March 2022, underlines the Group's global leadership on sustainability. It also demonstrates how circular economy KPIs are becoming increasingly embedded into capital markets products to tackle emissions across the whole supply chain and drive innovation in materials use. L'Oréal will report annually in its Universal Registration Document on the level of achievement of the Key Performance Indicators. This SLB is part of a €3 billion inaugural public bond, which is composed of three tranches, one of which is sustainability-linked.

- **BNP Paribas' role:** Global Coordinators and Joint Bookrunners







BNP PARIBAS

# Accelerating the ecological and energy transition



Enabling our clients  
to transition  
to a low-carbon economy  
respectful of  
the environment



Reduce the  
environmental footprint  
of our own operations



Advance awareness  
and sharing of best  
environmental  
practices



# Reduce our direct impact: lower GHG emissions and offset residual emissions on our operational scope\*

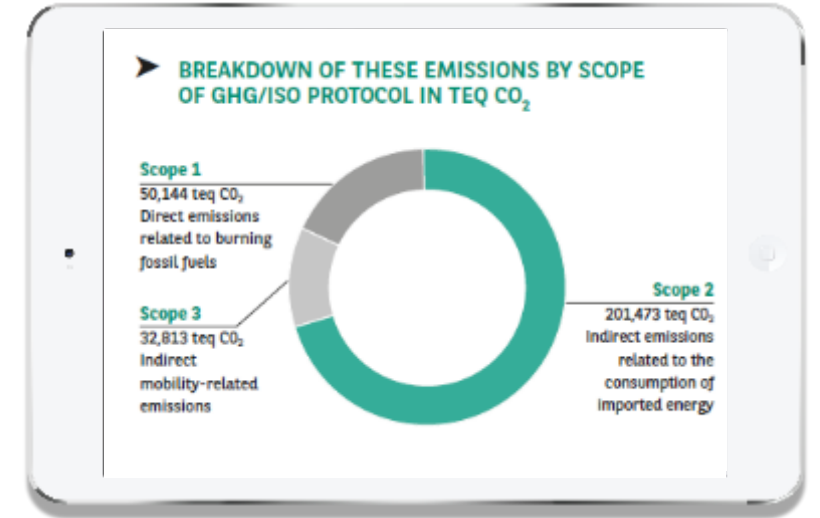
As part of its policy to combat climate change, BNP Paribas has been reducing its greenhouse gases (GHG) residual emissions across its entire operating scope, since 2017.

## Reduction of the Group's operational carbon footprint

- In 2021, the Group emitted a total of 284,430 kteqCO<sub>2</sub> equivalent emissions, or 1.50 tons of CO<sub>2</sub> equivalent / FTE.
- Three mechanisms to reduce emissions: energy efficiency of buildings, energy efficiency of IT equipment, and business travel optimisation.

## Use of low-carbon electricity

- In 2021, renewable electricity accounted for 37% of the Group's total electricity consumption.



## 2021: Offsetting residual emissions via programmes with established partners



**Wildlife Works**, which preserves and replants forests in Kenya and helps local people to avoid new forest destruction



**AIDER**, which fights against deforestation in the Amazon Rainforest and protects the living environment of Peruvian indigenous communities



**Good Planet**, which provides gas bio-composters in India, thus avoiding CO<sub>2</sub> emissions and preserving forests



**Kalimantan Protection**, which restores tropical peatland in forests in Indonesia

\*Operational scope: emissions of Scope 1 (direct emissions), scope 2 (indirect emissions related to the consumption of imported energy), and business trips



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# Reduce our direct impact: quantified objectives & results for 2021

## 2025 OBJECTIVES

**Cut GHG emissions per employee**  
Reach 1.85 tons of CO<sub>2</sub> equivalent per employee by end-2025

**Offsetting of our residual greenhouse gas emissions**  
Carbon neutrality (on our operational perimeter)

**Cut paper consumption per employee by 57%** compared with 2012, from 165kg to 70 kg per employee

**In 2021**, the purchase and, therefore, the use of responsible paper (from recycling or sustainably managed forests, i.e. more than 50% recycled or PEFC or FSC certified) **has become an obligation for all Group business lines**

The Group is committed to **making progress each year on the amount of waste recycled by employees**, mostly paper

## 2021 RESULTS

**In 2021**, the Group's total emissions amounted to 284 kteq CO<sub>2</sub> equivalent emissions, or 1.50 tons of CO<sub>2</sub> equivalent/FTE, i.e. -18% compared to 2020. ©

Achieved at end 2017 and maintained ever since through the offsetting of our residual emissions.

In 2021, 49kg of paper were consumed per employee, representing a 70% decrease compared to 2012. ©

79% of paper from responsible sources in 2021  
(74.6% in 2020)



In 2021, a total of 16,451 tonnes of waste generated by the Group was collected, or 87kg/FTE ©  
34% of the total volume of waste was recycled, or the equivalent of 30kg per employee

*Indicators strongly impacted by the consequences of the COVID-19 crisis are marked by ©*



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# Green company for employees



## Targets

Accelerate the reduction of BNP Paribas' direct environmental impacts

Make the actions more readable

Get the employees involved in this programme



### Plastic:

- **Global commitment:** single-use plastic ban
- **Main focus:** office's supply, staff canteen & take away food, promotional items
- **Key actions:** to limit the use of plastic, the Group has decided to remove all single-use petroleum-based plastic items from work and catering environments. To raise awareness and encourage employees to reduce plastic usage, BNP Paribas organised special events providing useful and educational information.



### Mobility:

- **Global commitment:** promote sustainable mobility
- **Main focus:** make BNP Paribas' buildings accessible to sustainable mobility (e.g. parking), make car-sharing, journey-sharing or bike-sharing easier, deliver advantages rates to buy and/or lease green vehicles (cars/bikes)
- **Key actions:** in 2021, BNP Paribas continued to deploy electric vehicle charging equipment on its sites and to green its service vehicle fleets. Several car-sharing and bicycle-sharing schemes have also emerged in France, as in Poland and Italy.



### Digital:

- **Global commitment:** reduce digital impact on the environment
- **Main focus:** measure and optimise the Group's digital footprint on the environment; implement a Green IT Sourcing policy; raising all employees' awareness concerning sustainable digital
- **Key actions in 2021:** A calculation methodology was developed and should make it possible to conduct an initial assessment of the Group's digital footprint





# A leader in certifications



- With **40 ISO 9001 certifications**, the Group is a leader in the banking sector
- **19 ISO 14001 certifications which makes BNP Paribas the world leader in the banking/insurance sector for environmental management systems.**
  - Nearly than 75,200 employees work in offices covered by an environmental management system, which represents nearly 39% of Group employees.
  - Arval has 13 certified subsidiaries worldwide
- At the same time, BNP Paribas is developing and launching **other processes of ISO certification and Labels** with regards to:
  - Information Security Management (**ISO 27 001**)
  - Information Technology – Service Management (**ISO 20 000-1**)
  - Energy Management (**ISO 50 001**)
  - Business Continuity Management (**ISO 22 301**)
  - Supplier relations and Sustainable procurement Label (**20 400**) in 2021
  - **Responsible Digital Label** in 2021
- The Group integrates the **ISO 26 000 standard** alongside other CSR standards to establish its framework for CSR initiatives and define action plans
- In 2019, AFNOR renewed the **BNP Paribas Gender Equality & Diversity Label** in France





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# Accelerating the ecological and energy transition



Enabling our clients  
to transition  
to a low-carbon economy  
respectful of  
the environment



Reduce the  
environmental footprint  
of our own operations



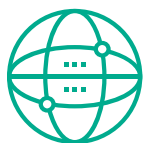
Advance awareness  
and sharing of best  
environmental  
practices

# Supporting scientific research on climate change & biodiversity



## Financing environmental research through the *Climate & Biodiversity Initiative*:

- Launched in 2010 by the BNP Paribas Foundation, the *Climate & Biodiversity Initiative* has already supported **27 international research teams**, with a total budget of **EUR 18 million**.
- Through this global philanthropy program, a call for projects is organized **every 3 years** with recognized experts. To **tackle climate change and biodiversity erosion**, two of today's biggest challenges, the Foundation launched its 4<sup>th</sup> call for projects in 2019. A new call for projects will be launched in 2022;
- Between 2020 and 2022, the Foundation will fund **9 new international research projects** with a total budget of EUR 6 million. For example, they will study the consequences of glacier extinction for biodiversity and local communities, or the vulnerability and resilience of coastal biodiversity to the increased extreme weather events (hurricanes, droughts...).



## The *One Planet Fellowship*: creating an intergenerational network of climate scientists in Africa

- Created at Emmanuel Macron's *One Planet Summit* in 2017, the *One Planet Fellowship* program aims to create a community of African and European researchers working on climate change adaptation in Africa's agricultural sector.
- With a five-year grant of \$15 million, the philanthropy programme is supported by the BNP Paribas and Bill & Melinda Gates foundations, the European Commission and the International Development Research Centre (IDRC, Canada). It is operated by AWARD (ICRAF, Kenya) and the Agropolis Foundation.
- In 2021, 20 women and 21 men were selected, bringing to 130 the number total of scientists participating in the programme.





# Raising awareness and building expertise on environmental issues among our employees



## Raising awareness on ESG and sustainability for all BNP staff:

- The group continued the “WeEngage” initiative, an awareness-raising programme for all employees worldwide dedicated to sustainable finance and current environmental and social issues. This programme makes it possible to develop the ability to support customers towards a low-carbon economy and greater social justice;
- A business line specific programme depending on the financial institutions (FIC), consisting of 62 sessions on 35 topics, also provided training for nearly 6,000 employees by the end of 2021;
- Expert and certified external training courses, such as the one offered by the Cambridge Institute for Sustainability Leadership (CISL). This training module had already been completed by nearly 3,800 Group employees by the end of 2021, in addition to nearly 1,200 others whose training is under way;



## Organizations of educational workshops:

- The Climate Fresk, a game in the form of collaborative workshops enables a systemic vision of climate change issues and their consequences to be acquired. Although its deployment was slowed down in 2020 and 2021 by the health crisis, this awareness campaign has already started in 9 countries and in 3 languages.
- By the end of 2021, about 1000 employees have been trained.



## Expert training sessions:

- Developed over 2021, they ensure the Bank’s corporate finance coverage teams and the Risk function strengthen their expertise in the ESG risks assessment of the Bank clients. In parallel, the business lines have been very active over the year to develop their teams’ skills on sustainable finance.







BNP PARIBAS

# Appendix

BNP Paribas financing  
and investment sector policies

Public position on  
tobacco industry

Public position on  
ocean protection

# Sector policy: Defence & Security



## POLICY OBJECTIVES

- Set additional criteria to the standards defined by international regulations and conventions
- Avoid potential irresponsible end-use of military, security and police equipment

To achieve this, our Defence & Security Policy is structured around 3 axes:

### 1. Defence and Security equipment

- Torture tools and controversial weapons listed below are excluded:
  - Cluster munitions
  - Anti-personnel mines
  - Nuclear arms (outside NATO countries)
  - Depleted uranium ammunitions
  - Biological and chemical weapons
- Surveillance equipment are treated as sensitive goods

### 2. Countries of origin and destination of Export transactions:

- Transactions to and from any country meeting at least one criteria below are excluded:
  - under embargo covering arms and repression equipment from the UN, EU, US or France
  - identified by the UN as having committed serious violations against children in armed conflict situations
  - listed on the Financial Action Task Force (FATF) as showing major shortcomings in legislation designed to combat financing of terrorism or money laundering

### 3. Counterparties involved in Defense & Security transactions (producers, intermediaries, end-users)

- Non-State entities (states or state-controlled companies) outside OECD countries are excluded
- Counterparties (private or state-owned) having a verified history of involvement in violation of UN, EU, US or French embargoes on arms and repression equipment are also excluded



## CONCRETE ACTIONS

- There is a monitoring framework in place by Compliance and CSR Functions applied to transactions and companies associated to goods and services covered by this policy, with the involvement of Compliance and CSR Functions.





# Sector policy: Coal-fired power generation (CFPG)



## POLICY OBJECTIVES

- Addressing social and environmental issues of the coal-fired power generation sector and conducting business in a responsible manner
- The coal-fired power generation policy, **updated in July 2020** (see [CSR sector policy](#)), sets the following criteria:

### On Project finance:

- BNP Paribas no longer finances **new CFPP projects** wherever they are located, **including brownfield retrofit CFPP projects** seeking lifetime extension or capacity increase

### On Corporate finance, BNP Paribas will only provide financial products and services to power generation companies that meet, among others, the following requirements:

- Having a strategy to reduce coal power generation in its mix under a regularly monitored plan including a timeline, **resulting in a thermal coal exit by 2030 in the EU and OECD countries, and by 2040 in the rest of the world;**
- Not adding operational CFPG capacity to their power portfolio (irrespective of other capacity that could be dismantled and/ or sold ), etc.

### Moreover, for new clients:

- From the date of release of this policy, BNP Paribas will not accept any new client who derives **more than 25% of its revenues** from coal-fired power generation; who has not planned a **strategy to exit from its coal power generation capacities** in line with BNPP deadline; and/or who is **planning to add CFPG capacity** to its power portfolio.

### On Asset Management activities:

- BNP Paribas Asset Management will only invest in power generation companies whose **intensity from power generation is below the 2017 global average of 491 gCO<sub>2</sub>/kWh**, and which **follow a Paris-compliant trajectory** for the sector, as determined by the International Energy Agency (IEA) in its Sustainable Development Scenario (SDS)



## CONCRETE ACTIONS

- To implement our commitment to exit thermal coal, the Group continued the dialogue already initiated with its customers, more specifically concerning their plan to phase out coal. At the end of 2021, the analysis started in 2020 led us to exclude around half of our customers from the electricity production sector.



# Sector policy: Nuclear power



## POLICY OBJECTIVES

- Addressing key CSR issues: safety, security, non-proliferation, protection of people and the environment.

### Grounds for exclusion for power plant projects:

- Inadequate legal framework, international cooperation, Nuclear Safety Agency or political instability in the host country
- Unsatisfactory results of the technical, environmental and social due diligence
- Reactor design neither from a Reference Nuclear Country nor validated by NSA of a Reference Nuclear Country
- Insufficient arrangements to ensure radiation monitoring, protection of workers and adequate temporary storage of nuclear waste

### Grounds for exclusion for nuclear companies:

- Operating license suspended or owns or operate NPPs whose nuclear reactors has not been validated by the NSA of a Reference Nuclear Country
- No independent chain of control to monitor safety of nuclear operations, or inadequate global policy ensuring radiation monitoring, prevention of radiation emission and the protection of workers

### Complementary environmental, social and governance due diligence on the project, the company and the host country

### Policy update in 2013: integrating the lessons learned from the Fukushima nuclear accident

- Any application for financing a nuclear power plant now requires verification of additional criteria relating to the country's nuclear safety authority.



## CONCRETE ACTIONS

- This policy leads us to ask complementary E&S audits and to develop dialogue with clients.
- BNP Paribas has not financed any nuclear power plant since 2006; the group regularly finances maintenance (spare parts, engineering...) or modernization of existing power plants.



# Sector policy: Agriculture

## 3<sup>rd</sup> Section of forestry policy



### POLICY OBJECTIVES

- Avoid financing or investing in companies which activities may have adverse environmental (ecosystem and biodiversity, water use and water pollution, GHG emissions, use of agrochemicals), social (poor working conditions, health and safety issues) and governance (land grabbing, food security issues, food safety and traceability issues and animal mistreatments) impacts.
- Monitor the Group's activities in agricultural commodities hedging and investment products
- Contribute to the protection of biodiversity

Agricultural commodities producers are encouraged to certify their crop fields or plantations against certifications such as RTRS, BCI, Bonsucro or UTZ. Forest managers and processors of timber products are encouraged to have their forest concessions certified against the FSC or the PEFC standard. Companies (producers, meat conditioners and traders) producing or buying beef or soybeans in the Brazilian Amazon and the Cerrado are encouraged to adopt a strategy to achieve zero deforestation in their production and supply chains by 2025 at the latest.

#### Grounds for exclusion for agricultural companies:

- Do not have a water management plan
- Engage in Land grabbing practices
- For physical agricultural products merchants and traders, do not have a policy on food safety and traceability covering their sourcing and their own operations
- For companies (producers, meat conditioners and traders) producing or buying beef or soybeans in the Brazilian Amazon and the Cerrado, do not have a strategy to achieve zero deforestation in their production and supply chains by 2025 at the latest; In 2021, the analysis of the portfolio of meat producers, packers and traders was carried out in order to assess their progress and initiate a dialogue.

#### Specific position on Agriculture commodities

- BNP Paribas has made a commitment not to offer individual and institutional investors BNP Paribas internal funds containing exposure to agricultural commodities
- BNP Paribas will not finance customers producing or buying beef or soybeans with no strategy to achieve zero deforestation in their production and supply chains by 2025 at the latest.



### CONCRETE ACTIONS

- Clients operating in the production of beef or soybeans in or sourcing these products from the Brazilian Amazon and the Cerrado were reviewed in 2021 and then each year





# Sector policy: Palm oil

## 1<sup>st</sup> Section of forestry policy



### CONTEXT

- BNP Paribas is signatory of the **BEI Soft Commodities' Compact** (an initiative to help transforming soft commodities supply chains), thereby helping clients to achieve Zero net deforestation by 2020



### POLICY OBJECTIVES

- Avoid financing or investing in companies that actively contribute to deforestation (loss of biodiversity, aggravation of climate change, etc.) and/or people exploitation, and address concerns of NGOs

#### 2017 update of the policy:

- Echoing to new “No peat, no deforestation, no exploitation” (NDPE) commitments, BNP Paribas now requires companies in the sector to integrate a **“High carbon stock” forestry assessment** and to achieve **“Free Prior and Informed Consent”** for potentially impacted local communities

#### Main grounds for exclusion:

- For upstream palm oil companies, no alignment with RSPO standards, no compliance with existing social and environmental laws and international regulations
- Use of child or forced labour
- No consultation process, acceptable compensation process and grievance mechanism – FPIC is a mandatory requirement
- New plantations on peat (new: whatever their depth), in high conservation value forests, high carbon stock forests or protected areas (World Heritage sites, IUCN zones I to IV...)
- No no-burn policy



# Sector policy: Wood pulp

## 2<sup>nd</sup> Section of forestry policy



### POLICY OBJECTIVES

- Avoid financing or investing in companies that actively contribute to deforestation (loss of biodiversity, aggravation of climate change, etc.) and address concerns of NGOs.
- BNP Paribas encourages companies to adopt best international industry practices and to move towards higher standards of sustainability (FSC and PEFC) and is also a signatory of the “Soft Commodities Compact” from the Banking Environment initiative and the Consumer Goods Forum

#### Grounds for exclusion for upstream pulp companies:

- No compliance with existing social and environmental laws and international regulations
- Use of child or forced labour or no regular monitoring plan of health and safety conditions
- No consultation process, acceptable compensation process and grievance mechanism
- Use of illegally harvested wood or new plantations on high conservation value forests
- No stringent peat land management procedure or no no-burn policy

#### Grounds for exclusion for pulp producers:

- Wood sourcing does not respect the above requirements
- No compliance with existing social and environmental laws and international regulations
- No use of Elementary Chlorine Free or Totally Chlorine Free process in new pulp mills or no actual transition in existing pulp mills
- No regular monitoring plan of the workforce's health and safety conditions



# Sector policy: Mining



## POLICY OBJECTIVES

- Financing or investing responsibly in the mining sector by taking into account governance, social and environmental issues. Thermal coal exit by 2030 for OECD countries and 2040 for Rest of the World

### Grounds for exclusion for projects:

- Dedicated to thermal coal extraction or infrastructures (harbors, transportation, storage)
- Located on protected areas or in countries under financial sanctions or in conflict area
- Use of child or forced labor or do not respect Health and Safety requirements as defined in the ILO Conventions
- Do not include a site reclamation plan or cannot provide a health and safety management plan and track record
- Extract asbestos, artisanal or small-scale mining activities, Appalachian MTR projects or use riverine or shallow marine tailings disposal

### Grounds for exclusion for mining companies:

- Are producers of coal extracted from Appalachian MTR operations, are coal developer, do not have a strategy to exit thermal coal by 2030 for OECD countries and 2040 for RoW
- Are involved in asbestos extraction
- Have their headquarters located in countries under financial sanctions or cannot disclose information on their performance related to water use, waste, GHG emissions and land reclamation
- Use child or forced labour as defined in the ILO Conventions or cannot provide a track record regarding health and safety at company level

### Complementary environmental, social and governance due diligence on the company

**Policy update in 2015 for thermal coal mining:** BNP Paribas stopped financing coal mining activities, whether project or company financing, unless they have put in place an energy diversification strategy

**Policy update in 2017 for thermal coal mining:** BNP Paribas will not initiate new commercial relationships with clients that derive over 50% of their revenue from coal.

**Policy update in 2020 for thermal coal mining:** thermal coal exit by 2030 (OECD countries) and 2040 (RoW)



## CONCRETE ACTIONS

- In 2021, the share of coal in the coal, oil and gas mix is less than 1%.
- BNP Paribas promotes client dialogue in order to accompany customers in the update of their strategy





# Sector policy: Oil and Gas



## CONTEXT

- The energy sector is a large contributor to greenhouse gas emission
- Fossil fuels, especially natural gas, could play a (progressively decreasing) role in the global energy transition, as long as the resources are produced applying the best practices in order to limit associated greenhouse gas emissions (especially those related to methane leaks) and other potential adverse impacts



## POLICY OBJECTIVES

- Address social and environmental issues linked to the oil and gas industry and establish guidelines for conducting business in the most possible responsible manner
- **Exclusion oil and gas projects:**  
**Unconventional\***
  - Exploration and Production of unconventional oil and gas resources;
  - Pipelines transporting more than 10% on a 2-year average of unconventional oil and gas;
  - LNG export terminals supplied by more than 10% on a 2-year average of unconventional gas.**Sensitive areas**
  - Oil and gas project and related infrastructure in the Arctic\*\* and the Amazon regions\*\*\*;
  - Trading activities: the seaborne exports of oil from the Esmeraldas region in Ecuador
- **Exclusion for companies involved in oil and gas**
  - Not Disclose or provide information at company level on their performance related to water use, waste generation, energy consumption, GHG emissions including scopes 1 & 2**Unconventional**
  - Trading companies for which Unconventional Oil and Gas represent a significant part of their business;
  - Companies that own or operate pipelines or LNG export terminals supplied with a significant volume of Unconventional Oil and Gas;
  - Energy companies that derive more than 10% of their activities from Unconventional Oil and Gas.**Sensitive areas**
  - Companies deriving more than 10% of their exploration and production activities from the Arctic region.
  - Companies with oil and gas reserves in the Amazon region as well as the ones actively developing related infrastructure in this area.
- BNP Paribas will have a specific attention to **sensitive oil and gas production** activities and implement in-depth due diligence in its lending activities for any new project or specialized companies. Sensitive production includes heavy oil, coalbed methane and ultra-deep water .
- **Complementary environmental, social and governance due diligence on the project and the company**



## CONCRETE ACTIONS

- The policy led to the drop of Group's exposure to unconventional oil and gas specialists from \$4 billion in 2016 to zero at the end of 2021.
- In 2021, our Exposure to oil and gas exploration and production fell from 6% compared to 2020 and targets -12% in 2025

\*Unconventional oil and gas resources encompass shale oil or gas, oil sands as well as extra-heavy oil with a density above 1 kg / l corresponding to an API gravity below 10°

\*\*Arctic region: BNP Paribas is extending its definition of the Arctic and adopts the Arctic Monitoring and Assessment Program (AMAP5) definition, which is the broadest. An exception is made for Norwegian areas based on the fact that Norway has developed the most constraining environmental and operational laws, regulations and monitoring processes in the world.

\*\*\*Amazon region covers part of Brazil, Ecuador, Bolivia, Colombia, Guyana, Venezuela and Peru. Amazon Sacred Headwaters area is a sub-region of the Amazon River basin, comprising the Napo, Pastaza, and Marañon River Basins of Ecuador and Peru. Within this policy, restrictions will apply to all IUCN areas from I to IV, RAMSAR and World Heritage areas within the Amazon region as well as to all the Amazon Sacred Headwaters area.



# Public position: Tobacco industry



## OUR POSITION

### In 2016, decision to raise expectations towards tobacco leaves growers and traders, and tobacco companies

- Definition of mandatory requirements and evaluation criteria, in particular regarding their human rights, environmental and health standards
- Rationale: the World Health Organisation (WHO), United Nations' agency specialised in Health, identified tobacco as the first avoidable cause of deaths, and instituted in 2003 the Framework Convention on Tobacco Control, the first global public health treaty
- Objective: to avoid financing or investing in companies that do not respect national laws, are not transparent on the health risks associated with smoking and target young or vulnerable people

### In 2017, decision to end any financing and investment activity related to tobacco companies or professional players whose principal activity is linked/dedicated to tobacco

- Exclusion of manufacturers of tobacco products, as well as producers, wholesalers and traders whose revenue is mainly derived from tobacco
- This decision impacts all of the Group's business relations with tobacco companies, as well as investments on behalf of third-parties

*"The WHO has called on the international community regarding the effects of tobacco in terms of health. We have reaffirmed our ambition to finance the economic development while having a positive impact on all our stakeholders, contributing to build a better future."*

said Jean-Laurent Bonnafé, Director and Chief Executive Officer, BNP Paribas.



*"We are delighted by BNP Paribas' announcement, and we call on all leaders in the finance sector to stand alongside BNP Paribas in solidarity with health and government sectors across the globe"*

said Dr. Bronwyn King, CEO, Tobacco Free Portfolios.



## CONCRETE ACTIONS

- BNP Paribas has exited the tobacco industry.



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The bank for a changing world

# Public position: Ocean protection



## OUR POSITION

### A public position released Sept. 23, 2019 in New York

- Statement of BNP Paribas' willingness to work with its clients towards the achievement of SDG 14 ("Life Below Water")
- Ocean is critical for our planet: it is a cradle of biodiversity essential for life balance on earth, a source of vital resources for human beings including food and habitat preservation, and a vector of the global economy, generating direct and indirect jobs



### BNP Paribas commits to finance in a responsible manner activities likely to impact the ocean

- Sectors identified: Maritime transportation; Fishing and Aquaculture; Offshore oil and gas, deep sea mining and renewable marine energies; and Land-based activities in relation to the ocean

### BNP Paribas seeks to actively take part in the preservation of the ocean

- Support the implementation of best practices through positive-impact banking solutions and services, e.g. BNP Paribas' commitment to dedicate **1 billion euros to finance the ecological transformation of the shipping fleet by 2025**
- Support innovation and invest in start-ups through the **€250M envelop dedicated to start-ups mobilized for ecological transition**
- Protect and restore our natural capital with **€55m of its direct investments** devoted by the Group in 2021 (goal of €3bn in financing by 2025 linked to criteria linked to the protection of terrestrial biodiversity: positive impact loans, green bonds, etc.)
- Moving the needle, e.g. participation to working groups and initiatives like the **Poseidon Principles** (signed in early 2020) towards GHG emission reduction in the shipping industry
- Support research for a better understanding of the ocean with the international sponsorship program Climate and Biodiversity Initiative of the BNP Paribas Foundation







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THANK YOU