CORPORATE SOCIAL RESPONSIBILITY

2019 CLIMATE CHANGE INFORMATION REQUEST - CARBON DISCLOSURE PROJECT

BNP PARIBAS

The bank
for a changing
world

BNP Paribas - Climate Change 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

BNP Paribas is Europe's leading provider of banking and financial services. It is present in 72 countries and has more than 202 624 employees, including 154 974 employees in Europe. BNP Paribas holds key positions in its 2 main activities: “**Retail Banking & services**” and “**Corporate & Institutional Banking**”.

Retail Banking and Services encompasses :

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

- International Financial Services which comprises diversified, complementary activities such as Insurance, Wealth Management, Real Estate, or Asset Management services. Note that International Retail Banking also encompasses the Group‘s retail banks in 15 non Euro-zone countries, including Bank of the West in the United States, TEB in Turkey, Ukrsibbank in Ukraine, BMCI in Morroco and BNP Paribas Bank Polska in Poland.

** BNP Paribas retail banking and services has more than 33 million clients in the world.

Corporate and Institutional Banking (CIB) is a global provider of financial solutions to corporate and institutional clients. Across capital markets, securities services, financing, treasury and financial advisory, this activity aims to connect the financial needs of corporate clients with the investments of institutional investors. CIB carried 3.8 billion transactions for corporate clients, each year.

Euro 168 Billion of financing and investment was dedicated to companies active in the achievement of the 17 SDGs of the UN.

The Group's fundamental drivers are:

- Risk diversification : The diversity of our businesses and geographic regions allows us to improve our risk profile by varying exposure.

- Cross-business cooperation: Our model is based on strong cooperation across activities and business lines. Cross revenues make up 20% of revenue.

- Innovation: We use new technologies and strengthen our collaboration with new players in order to improve our operational efficiency and develop new solutions.

- Engagement: A major actor in financing the real economy, the bank has strong commitments in terms of corporate social responsibility.

BNP Paribas SA is the parent company of BNP Paribas Group.

Financial Ratings:

- On 5 April 2019, Standard & Poor's upgraded the long-term credit rating of BNP Paribas from A to A+ with a stable outlook.

- On 21 June 2018, Fitch confirmed the long-term rating of BNP Paribas at A+ with a stable outlook.

- On 27 September 2017, following its review, Moody's upgraded the long term rating of BNP Paribas from A1 to Aa3, with a stable outlook.

- On 13 July 2018, DBRS confirmed the long-term rating of BNP Paribas at AA (low) with a stable outlook.

- In July 2018 and in 2019, Euromney named BNP Paribas first bank in sustainable finance, worldwide.

Committment to responsible business in 2018:

-The Group helped develop and endorsed the United Nation's "Principles for Responsible Banking" which state the role and responsibilities of the banking sector in building a sustainable future, in order to achieve the SDGs and the climate targets of the Paris Agreement.

-Through its Responsible Business Principles, published in December 2018, BNP Paribas made public its willingness to work with companies that share the same environmental and social standards.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Belgium
Brazil
Canada
China, Hong Kong Special Administrative Region
France
Germany
India
Italy
Japan
Luxembourg
Morocco
Poland
Portugal
Singapore
Spain
Switzerland
Turkey
Ukraine
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	BNP Paribas has put in place several initiatives in order to ensure that the CSR policy is implemented at the highest level of the organization. The Chief Executive Officer (CEO), who is also a member of the Board of Directors, holds the general responsibility for climate change strategy. During the One Planet Summit in December 2017, BNP Paribas reviewed various "green" initiatives of the Group to fight global warming like the Group's commitment to stop all funding of unconventional hydrocarbons or to double its financing goal for renewable energy to €15 billion by 2020. This goal was surpassed in 2018. In 2017, the CEO has delegated the responsibility of the Group's climate strategy to the Director of the Company Engagement. Moreover, a member of the Group Executive Committee is responsible for CSR in each of the Group's subsidiaries and business lines to ensure that CSR is integrated into the entity's strategy.
Other, please specify (Director of the Company Engagement Dep.)	The Company Engagement Department was created in 2017 and is represented at the Group Executive Committee. The overall responsibility for climate change within BNP Paribas is now held at the highest level with the integration of the Group CSR in the Company Engagement. More precisely, this new department is in charge of : - Strengthening the CSR and diversity practices and bringing all the Company's levers together to meet major societal and environmental challenges - Defining and implementing commitments concerning environment and energy transition. Also note that tackling climate change and financing the energy transition is one of the main issues addressed by the CSR team (130 persons in the Group). Indeed, the environmental pillar of the Group CSR Strategy is entitled as "combating climate change" in the CSR report. For instance, the Group committed to finance renewable energies with a target of 15 billion € for 2020. This objective was indeed surpassed in 2018.
Chief Risk Officer (CRO)	The Chief Risk Officer is in charge of the Risk Function. He ensures the proper assessment and management of climate related risks and opportunities in BNP Paribas' activities. He is also responsible for arbitrating the implementation of sectoral policies. Indeed, BNP Paribas made several commitments to fight global warming in line with the 2°C trajectory. One of the decisions was to cease financing coal extraction or coal-fired plants projects and projects involving unconventional oil and gas. In 2016, the Risk Function, for the first time, integrated the ESG risks in its Risk Appetite Statement with the introduction of monitoring indicators for the Group's energy mix. The Risk Function has also continued the integration of ESG criteria when renewing its credits. In 2018, Risk Group was appointed as second line of defense for reviewing transactions according to ESG criteria.
Other, please specify (CGEN)	The Corporate Governance, Ethics, Nominations and CSR Committee (CGEN) The missions of this Committee are : - Selecting the Directors' committee members - Assessment of the Board of Directors - Selection and evaluation of executive corporate officers - Appraising the independence of the Directors - Maintaining the general balance of the Board of directors - Regular monitoring of updates to the Code of conduct - Monitoring CSR issues (Group's contribution to economic and sustainable development) which include climate-related issues. The members of the Corporate Governance, Ethics, Nominations and CSR Committee are independent directors who have expertise in corporate governance, some deal with CSR issues professionally. In cooperation with the Remuneration Committee, it assessed the introduction of the CSR criteria allowing the indexation of variable remuneration of executive corporate officers to the Group's CSR policy in accordance with the Afep-Medef Code as amended in June 2018.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy	The Board of Directors is often given presentations on the Group's CSR strategy allowing Executive Board to decide on CSR topics regularly. Moreover, in order to be in line with the Bank's CSR strategy, 13 CSR management indicators were redefined in 2015 for the period 2016-2018, and the Group has taken on quantitative commitments for this period. The Group's Executive Committee and Board of Directors review the achievement of these objectives annually. Moreover, nine indicators are used in calculating the deferred variable compensation of more than 6,750 of the Group's top managers, where they account for 20% of the award conditions for this compensation. Two of these 9 indicators concern the environmental responsibility ("combating climate change"): - KPI 1 is the financing of renewable energies (with an objective of 15 billion in 2020), achieved and surpassed in 2018. - KPI 2 is the reduction of greenhouse gas (GHG) emissions with a target of -25% of our GHG emissions per FTE in 2020 compared to 2012 levels. Recent commitments in 2018 highlight the importance of CSR strategy (which includes climate strategy) for the Executive Committee : - BNP Paribas signed the Katowice commitment in 2018 with 4 other banks, to work on methodologies to measure the impact of investments and steer financial flows towards low carbon economy. -Alongside 64 other international companies, BNP Paribas has supported act4nature, an initiative launched by the think thank EPE (Business for the Environment) to protect and restore biodiversity.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

As reaffirmed in the 2017 update of “BNP Paribas Commitments for the Environment” by the Group CSR, combatting climate change is a priority focus that is declined in commitments towards responsible business, our direct impacts and our commitment to raise awareness.

The Head of CSR directly reports to the Director of the Company Engagement Department who is represented in the Executive Board. The Head of CSR (Chief Sustainability Officer) defines the climate strategy with the Director of the Company Engagement and coordinates the implementation of the CSR policy of the Group.

The assignments and responsibilities of the CSR function are clearly defined in a directive from the Executive Management. The CSR team managed by the Head of CSR (Chief Sustainability Officer) is structured as follow:

- Investments and financing with a positive impact

- Management of extra-financial risks (including climate related risks)

- CSR stakeholder dialogue (including environmental NGOs) and human rights

- Environment / Energy Transition and extra-financial accounting

- Microfinance and Social Entrepreneurship

- Communication.

Also, please note that the Group CSR team is based on a network created in 2012, which operates in the divisions, business lines, networks, departments and subsidiaries in order to facilitate the application of the CSR policy across the whole Group. It meets quarterly within the Group’s CSR Committee, chaired by the Head of the function. In total, nearly 130 people spend all or a majority of their working time on CSR matters within BNP Paribas. They can also call upon the expertise of nearly 300 contributors on specific topics such as climate issues, direct environmental impacts, energy transition, microfinance and financing and investment policies.

In 2018, a significant decision was taken by the Group. Risk Group was given responsibility for the second line of defense on Environmental, Social and Governance risks. This project led to the formalization of guiding principles to develop the framework processes and governance of credit committees in order to include ESG risks in assessing the Group's clients. The missions entrusted to Risk started in January 2019, while continuing with the necessary adjustments throughout 2019, as well as training of the first and second lines on these risks for effective implementation, including climate risks.

Finally, please note that 2 more committees regularly review ESG risks:

- GSCC (Group Supervisory and Control Committee) to validate financing and investment policies.

- CCDG (General Management Credit Committee): recently updated procedure specifies CCDG will review all issues surrounding the acceptability of risks including ethics and CSR.

Head of CSR reports directly to Executive Committee at least once a year to present its yearly achievements and may also present specific subjects on request. Head of CSR also reports to the board once a year. Head of CSR is also present at the General Assembly on stage with members of the Board to present the Group's CSR strategy and environmental commitments, and answer questions from shareholders and NGOs.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?
Chief Executive Officer (CEO)

Types of incentives
Monetary reward

Activity incentivized
Emissions reduction target

Comment
For the Chief Executive Office and the Chief Operating Officer, 25% of their target variable remuneration is linked to qualitative assessment by the Board of Directors. The Board assesses the qualitative aspect of annual variable remuneration, looking at implementation of the strategic guidelines of the Bank, in particular its transformation plan, human, organisational, technical and CSR dimensions. On CSR aspects, for 2017, the Board assessed in particular the creation of the Company Engagement with increased focus on CSR-related issues such as climate and health, termination of relations with operators whose main business relates to shale gas or oil and/or oil extracted from oil sands, commitment to be carbon neutral for the Company’s operation and fulfillment of the commitments of Group CSR policy.

Who is entitled to benefit from these incentives?
Chief Operating Officer (COO)

Types of incentives
Monetary reward

Activity incentivized
Emissions reduction target

Comment
For the Chief Executive Office and the Chief Operating Officer, 25% of their target variable remuneration is linked to qualitative assessment by the Board of Directors. The Board assesses the qualitative aspect of annual variable remuneration, looking at implementation of the strategic guidelines of the Bank, in particular its transformation plan, human, organisational, technical and

CSR dimensions in the general context of the year under consideration. On CSR aspects, for 2017, the Board assessed in particular the creation of the Company Engagement with increased focus on CSR-related issues such as climate and health, termination of relations with operators whose main business relates to shale gas or oil and/or oil extracted from oil sands, commitment to be carbon neutral for the Company's operation and fulfilment of the commitments of Group CSR policy.

Who is entitled to benefit from these incentives?
Corporate executive team

Types of incentives
Monetary reward

Activity incentivized
Emissions reduction target

Comment
The Group's Executive Committee and Board of Directors review the achievement of the 13 CSR objectives annually. Nine of the thirteen indicators are used to calculate the deferred variable compensation (Global Sustainability and Incentives Scheme). The GSIS is intended to reward, retain and motivate key employees, including more than 6,750 top managers Group wide and to fairly compensate them by aligning their interests with the operational performance of the Group. The long-term award is paid to the beneficiary during the 3rd year following the year of the grant date. In 2012, the Group decided to link the GSIS award to a condition based on the CSR performance as it is considered essential that the Group acts at all levels, and in a significant way, to promote greater environmental, economic and social responsibility. The general management strongly believes that integrating the achievement of CSR objectives in monetary rewards will contribute to BNP Paribas maintaining its position as a responsible bank in the long term. 20% of the initial allocation is related to the Group's CSR performance, the rest being indexed to the operational performance of the Group. Two indicators are directly linked to environmental responsibility: 1) Amount of financing devoted to renewable energy 2) Greenhouse gas emissions in teq CO_2 / FTE.

Who is entitled to benefit from these incentives?
All employees

Types of incentives
Monetary reward

Activity incentivized
Emissions reduction target

Comment
For profit-sharing schemes within the Group, CSR criteria are included for the definition of the allocated amounts. - For BNP Paribas SA, the incentive agreement signed for a three-year period from 2019 to 2018 has three components with one relating to CSR based on paper consumption per employee, with a target already met in 2017. In accordance with the government scheme, BNP Paribas SA decided in December 2018 to pay a one-off EUR 1,000 bonus to all employees earning total compensation of less than three times the minimum wage in France (the SMIC), for a total amount of around EUR 24 million. - At BNP Paribas Fortis in Belgium, part of the variable compensation known as "collective" compensation is linked to Sustainable Development Goals such as customer satisfaction, promoting diversity, improvement of well being in the workplace, risk awareness and compliance and the reduction of the Bank's negative impact on the environment. The 2018 objectives were met, and a total of EUR 24.1 million was paid to all employees. - In Luxembourg, the Bank paid non-managerial employees an incentive premium with respect to 2017, which amounted to nearly EUR 3.6 million.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	Climate driven risks are assessed by a specialized team within Risk Group. Depending on the nature of the risk and the Group's exposure to it, time horizons are defined. As a financial institution, visibility into the future is limited, due to the fluctuations of the markets and the uncertainty of variables in the financial sector. Moreover, a central ESG risks management team of 5 people (within the CSR head office) ensures that the Bank's activities are run with a rigorous climate approach (regulation, opportunities, sector policies).
Medium-term	1	8	Climate driven risks are assessed by a specialized team within Risk Group. Depending on the nature of the risk and the Group's exposure to it, time horizons are defined. As a financial institution, visibility into the future is limited, due to the fluctuations of the markets and the uncertainty of variables in the financial sectors. Moreover, a central ESG risks management team of 5 people (within the CSR head office) ensures that the Bank's activities are run with a rigorous climate approach (regulation, opportunities, sector policies, Equator Principles). In 2017, the Group joined UNEP FI's initiative for banks to adopt the recommendations made by the Task Force on Climate-Related Financial Disclosure (TCFD) in order to establish a common stress testing methodology for medium and long term climate change-related risks (transition risks and physical risks) up to 2050. In 2018, studies were conducted by Risk Group, CSR team and industry research team to identify the industries most vulnerable to transition risks. For physical risks, a first study is being conducted with an external consultancy firm in order to assess the physical risks of the top clients of the Group in 15 industries identified as particularly vulnerable to physical risks.
Long-term	8	30	Climate driven risks are assessed by a specialized team within Risk Group. Depending on the nature of the risk and the Group's exposure to it, time horizons are defined. As a financial institution, visibility into the future is limited, due to the fluctuations of the markets and the uncertainty of variables in the financial sectors. BNP Paribas is involved in long term projects: infrastructure, energy, transportation .The analysis of climate related risks is made on the same time scale of these projects, and is aligned with the financial and legal risks time horizons. In 2018, Risk Group has launched a study to evaluate the exposure of its top clients to physical climate risks, by crossing data on the localisation of their physical assets and vulnerability maps (hydric stress, typhoons, floods...)

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	The Group's Executive Committee decides on CSR themes, especially climate change issues, at least twice a year. Presentations about climate change risks and opportunities for the Group are given several times a year to the Board of Directors by the Director of Company Engagement Department and the Head of CSR. Moreover, a network of CSR professionals works in the divisions, business lines, networks, functions and subsidiaries to help implement the CSR policy & strategy within the Group. It meets quarterly with the Group's CSR Committee. A long term vision is also required for the financing of long term projects, particularly sensitive to changes in the environmental regulations, economic patterns and climate change implications. The risks inherent to these projects are evaluated for more than 6 years ahead.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

- Risk on a company level:

- Identification: On a Group level, Risk Group and ESG risks (team within CSR Group) are in charge of the assessment and management of climate-related risks. Their roles are complementary. ESG Risk works in collaboration with relastionship managers in business lines to identify risks for the Group, emerging from business activities and regular contact with clients. Work groups are then launched to address the risks raised. Whenever needed, technical advisory is seeked externally. Consequently, ESG Risks is able to define sectoral policies addressing crucial environmental and social issues. Indicators are developed to concertize the Group's vision, and are used as a decision tool to establish exclusion lists. These indicators are communicated to concerned business lines for further testing on clients. Based on their feedback, ESG Risks team adjusts the indicators and makes a list proposition that should be reviewed by the Executive Committee. Once approved, the lists are binding to all business lines and subsidiaries of the Group. In parallel, Risk Group is in charge of identifying and measuring climate related risks from our exposures and whether the Group is in line with a 2°C trajectory.
- Assessment: For sensitive sectors, the Group benefits from CSR and credit policies assessment tools which include specific analysis on climate risks made by in-house engineers (mandatory before any new project financing or when the client's profile is reviewed); Sustainable Assessment Tool, to categorize projects covered by the Equator Principles (EP); ESG criteria are embedded in the Global Credit Policy (for Corporate & Retail clients), as well as in Specific Credit & Rating policies (adjustment for CSR matters). Some businesses are provided with specific CSR tools (ex: CIB CSR Screening).

-Risk on asset level:

- Identification: Countries in climate vulnerable regions are particularly at stake of physical risks. A specialized team within the support function line ITP technologies and processes, is in charge of insurance for own account. The team conducts physical risks identification at Group level. BNP Paribas has a Bank crisis committee which coordinates risks identification and crisis management plans. Regarding lending and investment portfolio, BNP Paribas performs an analysis using the Equator Principles. Moreover, the Group is working with an external consulting firm to map the assets of its top clients and assess their exposure to climate-related physical risks. We are also leveraging on internal expertise to create our own physical risks assessment tool.
- Assessment: A Business impact analysis is conducted on each business line and its attached activities to determine events causing a disruption. Key drivers of business interuption are : unavailibaility of premises, of people, of IT, of suppliers. Business Recovery Time Objectives (BRTO) are determined. The Business recovery plan is an integral part of the Business Continuity Plan (BCP) and has to be respected in case of major disruption.

-Identification of size and scope:

- A study on the energy transition has been performed by the industry research team in order to identify the industries most vulnerable to climate-related transition risks. Regarding physical risks, a first study is being conducted by an external consulting firm in order to assess the physical risks of the top clients of the Group in 15 industries identified as particularly vulnerable to physical risks.

-Significance in relation to other risks:

The Group has included metrics on climate-related risks in its Risk Appetite Statement. Climate-related risks will also systematically be analyzed for corporate counterparties in the context of the ESG Risk Assessment tool which is currently under development (for industries deemed sensitive and which are not yet covered by any other ESG risk analysis framework). The Group has adopted a Risk taxonomy to define the relevance of climate risks and their significance in relation to other risks.

-Definition of substantive financial or strategic impact:

To BNP Paribas, the most significant risks are those related to our investment and lending portfolio. Therefore, we consider as substantive financial impact the implications of risks we are exposed to, via our clients. These risks mainly affect our profits from Corporate and Institutional Banking, heavilly falling on the resilience of our contracts and market opportunities.

-Definition of risk terminologies: BNPP refers to the TCFD definitions for transition risks and physical risks and Mark Carney's definition of liability risks.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	**Risk type: Policy and legal (increased pricing of GHG emissions + Enhanced regulations on emissions reporting. **Relevance : The Group is exposed to changes in environmental regulations through its clients, mainly those active in carbon intensive sectors. The Group is mostly present in countries committed to the Paris Agreement, which is translated into local and regional efforts to reach the 2°c objective, via the Nationally Determined Contributions. The legislative landscape therefore changes rapidly to orientate the industries performance towards low carbon economy. For instance, the Group is implemented in many countries in the European Union, bound by the EU legislation and country level laws: The 2020 Climate and energy package, the EU emissions trading system which is the EU's key tool for cutting greenhouse gas emissions from large-scale facilities in the power and industry sectors, the french law on energy transition, the article 173 on environmental data disclosure and the french strategy for carbon neutrality in 2050. **Inclusion: BNP Paribas is aware of the challenges emerging from bald and forward looking strategies to transition to a low carbon economy, gradually phasing out coal and oil energy, strictly regulating the polluting industries, implementing carbon trading schemes. Therefore, we have an established set of sectoral policies, on the most risky sectors and the most controversial industries: coal, mining, palm oil, agriculture, wood pulp, unconventional oil and gas, nuclear, and defense. These sectoral policies resulted from a robust screening of risks and controversies, including the legislative landscape. The risk assessment of all customers involved in those sensible activities is conducted case by case by local & central CSR teams, RISK Group, ESG Risks from CSR Group, and the legal department of BNP Paribas.
Emerging regulation	Relevant, always included	**Risk type: Policy and legal (increased pricing of GHG emissions + Enhanced regulations on emissions reporting. **Relevance: The Group keeps a close watch on the legislative landscape, constantly evolving. For instance, on 28 November 2018, the EU Commission presented its "strategic long-term vision for a prosperous, modern, competitive and climate-neutral economy by 2050". The strategy is currently in debate at different levels of the EU. **Inclusion: BNP Paribas is aware of the challenges emerging with bald and forward looking strategies to transition to a low carbon economy, by gradually phasing out coal and unconventional oil and gas energy, strictly regulating the polluting industries, implementing carbon trading schemes. Therefore, we have an established set of sectoral policies, on the most risky sectors and the most controversial of industries: coal, palm oil, agriculture, wood pulp, unconventional oil and gas, nuclear, mining and defense. The Group has also a strong commitment to cease funding coal mining projects, coal-fired power plants and companies related to these sectors without a diversification strategy, BNP Paribas stopped supporting companies and infrastructure projects whose principal activity is dedicated to the exploration, production and exportation of shale oil, shale gas, tar sands, oil and gas in the Arctic zone. These commitments apply to the Group's existing clients who, as a consequence in some cases, will no longer be supported. For example, 295 companies were placed on the exclusion and monitoring list in 2018 because of the Groups sector-specific energy policies. BNP Paribas is also involved at the UE level on the european commission working on the sustainable finance taxonomy.
Technology	Relevant, always included	**Risk type: Costs to transition to lower emission technologies. **Relevance: Through our financing portfolio, we are exposed to technology changes that may affect the business models of our clients or present new opportunities for the market. For the most sensitive sectors, such as energy and utilities, highly polluting industries, we are exposed to risks emerging from emission control technologies, impacting our client's resilience and competitiveness. Carbon Capture and Storage technologies, even if still immature, can lead to a profound shift in the sectors where we invest. **Inclusion: These elements are taken into consideration for the most sensitive contracts negotiated at BNP Paribas. However, an accurate evaluation of risks driven by changes in technology is not feasible at a Group level because of the variety and complexity of sectors and companies where we are involved; We are also aware of the evolving market of start ups and technologies serving energy efficiency and energy transition purposes, and we are engaged as a financial supporter to innovative clients.
Legal	Relevant, always included	**Risk type: Exposure to litigation **Relevance: Relevance: This risk is linked to our compliance and our client's compliance to regulations and due diligence principles. **Inclusion: This risk is assessed and managed by the function Group Legal. Compliance and General Inspection are also involved in the application and respect of regulations. CSR Group also contributes through the application of environmental and social commitments such as the respect of Human Rights which is included inside our sector policies, the CSR screening of contracts and clients, and the transparency of the Group towards public opinion. Note that the Framework of environmental and social risks was expanded in 2018 to meet the French law on the duty of care of parent companies and of companies using sub-contractors. This subject is managed by both Legal Group and CSR Group.
Market	Relevant, always included	**Risk type: Changing customer behavior **Relevance: The Group is aware of the emergence of new investment markets that may induce significant risks if its strategy doesn't follow. The risk we face is the outcome of a growing demand from clients for green investing and green financing. For instance, the market of Social Responsible Investment registered a 25% growth between 2014 and 2016, and reached 1000 Billion euros in France alone, end of 2017. The market for green bonds is also rapidly expanding. **Inclusion: To alleviate this risk, the Group has been an early player in the sustainable bonds market (3rd largest global player, all currencies taken together, in 2018). BNP Paribas is also deploying new solutions for green debt for corporate, renewable energy financing and advisory and specialized solutions through its different business lines: green leasing solutions, green real estate, green car leasing with ARVAL. Regarding our individuals and SMEs customers, our retail banking marketing services implemented green pack offers in different countries (France, Belgium, Luxembourg, Ukraine, Turkey, Morocco, United States...) to allow those customers to finance their specific investment in home energy efficiency, electric vehicles, self energy production.
Reputation	Relevant, always included	**Risk type: Increased stakeholder concern or negative stakeholder feedback. ** Relevance: In a competitive economic environment, The Group's reputation of integrity and ethical practices is critical to the Bank's ability to maintain leading position in the market and attract more clients. We face risks related to our clients increased awareness of sustainability issues, and the negative feedback from NGOs and notation agencies. **Inclusion: Our sectoral policies and ESG screening tools, used by business lines and reviewed by central risk ans ESG risk teams were defined to reduce our exposure to risky clients and reputation risks for our Group's in engaging with clients disrespectful of due diligence rules and good business practices; Deals and transactions are also reviewed using the equator principles for large industrial and infrastructure projects. Moreover, We pay a close attention to transparency towards the public opinion, about the crucial issues related to climate change and our role in financing the world's economy. We also have a close dialogue with NGOs and investors which are a reliable source of information on our reputation. In 2018, BNP Paribas had 89 different exchanges with activist NGOs and 36 SRI investors were met by our teams at least once in UK, Sweden, Denmark and Finland;

	Relevance & inclusion	Please explain
Acute physical	Relevant, always included	**Risk type: Increased severity of extreme weather events such as cyclones and floods **Relevance: The Group is exposed to physical risks induced by extreme weather events, essentially floods and cyclones that could threaten the integrity of its officl buildings and data centers. An interruption or a breach of the Bank's information systems may cause substantial losses of client or customer information, damage to the Bank's reputation and financial losses. We have economic activity in sensitive climate countries: such as the US Coast, Japan, India, Hong Kong, Guinea, French West Indies and Brazil. European sites are also vulnerable, due to extreme cold and heat events and the changing patterns of precipitation. The challenge is to ensure a quick recovery of activity with minimum loss of data and to prevent closing of our offices and branches. The financial implications result from damage to facilities, data loss, working hours loss, insurance costs. **Inclusion:This risk of natural disasters is included in the traditional operational risk analysis of the Group. In addition, to manage this risk, a process to determine recovery times objectives and establish a business recovery plan is implemented at Group level in each country; Local managers can adapt the measures depending on the specificities of each country.
Chronic physical	Relevant, always included	**Risk type: Changes in precipitation patterns and extreme variability of weather patterns. **Relevance: Investment in energy production represents an important share in the Group's portfolio. Climate Change has an impact on the viability of such projects, because of potential changes in weather patterns, precipitation and temperatures. It affects the performance of power plans (mainly hydro/ solar/ wind energy). The Group's risk is related to the investees inability to pay back their debt when production is lower than expected. The main sector at risk is hydropower generation. The scientific community expects a decrease in the local distribution of water resources in the coming years, which will impact water availibility for dams and hydropower stations. For example, EDF's hydropower production fell by 16.4% over the first nine months of 2017 compared to 2016 (EDF is the producer of electricity in France). Changes in water resources could also impact the functioning of nuclear power plants, water can not be used to cool the power plant if temperature exceeds a certain threshold. **Inclusion: A study is conducted with a consultancy firm to map the physical assets of our top clients and assess their exposure to physical risks.
Upstream	Relevant, always included	**Risk types: Disruption risk in supply chain and reputation risk of our suppliers **Relevance: We depend on our suppliers for our business activity: energy suppliers, IT suppliers, goods and services, transport … Interruption of supply (mainly from energy suppliers and goods) can affect our own ability to operate our data centers, branches and offices, which can result in significant financial losses. **Inclusion: Regarding its supply chain, within the Group Purchasing Department, a structure dedicated to Responsible Purchasing based on a network of around 50 correspondents covers all CSR topics, including climate risks related to the activities of suppliers and sub-contractors. CSR assessments, including climate topics, are used regarding our suppliers and sub-contractors as part of calls for tenders. Notably those relating to categories of risky purchases, such as promotional items. Specific questionnaires on purchasing categories with strong environmental or social impacts continued to be used.
Downstream	Relevant, always included	**Risk type: Increased credit risk and reduced demand for products and services. **Relevance: This risk type is particularly relevant to our Group. As a financial services institution, we face credit risks if our clients are not able to comply to regulations regarding climate change, if they don't improve their business model to meet customer preferences, or if they are in a threat of bankruptcy. Downstream risks are the result of risks driven by change in regulation, technological breakthroughs, market changes, as addressed above. **Inclusion: our business strategy embodies climate risks and translates changes in demand from clients to new business opportunities. We are committed to reduce our exposure to carbon intensive industries, by first measuring our carbon content in our financed energy mix, fix reduction objectives, extend the studies to other sectors (transportation, cement, steel ...). We established sectoral policies to limit our exposure to controversial sectors and made exclusion lists to not be involved with risky clients. On the other hand, we aim to increase our responsible financing and investing, in renewable energies, green bonds, green loans to individuals and corporates, and by providing sustainable investment possibilities for our assets under management. We contribute on the market to promote sustainable finance, by developing climate indices and offering advisory to investors.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Management of climate related risks and opportunities is embedded in the Group's business strategy, and declined in all relevant business lines and function units.

Our action is on two levels:

- On the scope of our own operations: The CSR team in charge of direct impacts (within the head office of CSR) launches every year in October an environmental campaign to collect data from 20 countries representing 90% of the total FTE of the Group. Local entities are in charge of entering data about energy consumption, business travel and other indicators such as water, waste, paper . Data analysts treat and analyse the available data to conclude on the Group's environmental performance. The data is a basis to monitor the achievement of our reduction targets and to suggest improvement measures. This team relies on the assistance of 150 people in different entities of the Group, including facility managers, purchasing department, certification department … By improving our knowledge on the Group's performance and the external parameters, we identify climate driven by change in regulations, in compliance requirements, negative feedback from our stakeholders, and actively respond through the implementation of necessary measures. For instance, we are aware of regulations that will oblige facilities in the tertiary sector to comply with energy reduction measures. Our facility managers, especially in France and Belgium, manage a robust strategy to improve the energy efficiency of our buildings and significantly cut back our consumption.

- On the scope of our investment and financing activities: our business strategy embodies climate risks and translates changes in market demand to new business opportunities. We are committed to reduce our exposure to carbon intensive industries, by first measuring our carbon content in our financed energy mix, fix reduction objectives, extend the studies to other sectors (transportation, cement, steel ...). We established sectoral policies to limit our exposure to controversial sectors and made exclusion lists to avoide business with risky clients.

In addition, we aim to increase our responsible financing and investing, in renewable energies, green bonds, green loans to individuals and corporates, and by providing sustainable investment possibilities for our assets under management. We also contribute on the market to promote sustainable finance, by developing climate indices and offering advisory to investors.

For instance, we have fixed in 2015 an objective to reach EUR 15 billion of financing to renewable energy. In 2018, this target was reached and exceeded (EUR 15.4 billion in 2018). We also have an objective on the financing provided to start ups in the energy transition, set at EUR 100 million by 2020. These examples of our commitments and achievements, among others, illustrate how we have endorsed climate related strategies and integrated them in our banking activity.

Our relationship managers from business lines (client facing employees) are trained to be able to identify climate related risks emerging from transactions with their clients.

BNP Paribas Asset Management is a significant player in asset management, it has more than 2400 employees in 33 countries with EUR 399 billion of assets under management. BNP Paribas AM has a number of strategic priorities and policies in place to identify, assess and manage climate related risks. In addition to committing to align its portfolio with the goals of the Paris agreement by 2025, teams at BNPP AM evaluate climate risks and opportunities as part of the research process. AM set key targets including tracking, monitoring and reporting on: the CO_2 emissions of portfolios, the share of green investment in portfolios based on the EU taxonomy and the carbon intensity of these portfolios versus the IEA's Sustainable Development Scenario. In late December 2018, BNPP AM calculated the carbon footprint of 50 billion euros worth of assets it manages.

BNPP AM has a Sustainability Committee that oversees its approach to climate change and sustainability, including policies, targets and reporting. The Sustainability center provides investment teams with research, analysis and data at company and sectoral levels as well as supports teams in developing sustainability themed products and fully integrating sustainability related risks and opportunities into investment strategies.

In addition, BNPP AM links its voting policy to climate investment strategy. We do not approve accounts or board nominations (in the US) if a company in which we have invested, and to which we have asked, does not provide us with carbon emissions data or climate strategy.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your

business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Increased pricing of GHG emissions

Type of financial impact
<Not Applicable>

Company- specific description
BNP Paribas' opreational costs can be directly affected by any changes in carbon taxes. The Group is present in 73 countries and is subject to local and regional regulations, including carbon taxation. In Europe, where the Group is most active, we are bound by tax regulations imposed by several European countries, partially based on carbon content. Moreover, The Paris Agreement has an ambition to enhance carbon pricing which will influence the future regulations on carbon and energy taxes.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
4960251

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
To calculate the financial impact of a change in carbon taxes regulation, we apply a potential carbon taxe to our emissions from Scope 1, Scope 2 and Scope 3 which included business travel. The result is an additional cost per year

Management method
To alleviate the risks driven by a change in carbon taxation, the Group takes action by reducing its direct emissions. BNP Paribas has committed in 2015 to cut its GHG emissions by 25 % in 2020 compared to 2012. In 2018, the Group has already reached a 23,6 % of reduction. This was possible thanks to many initiatives carried on a Group level. Three main strategies were implemented: the deployment of energy efficiency projects in buildings, the purchase of low carbon electricity wherever the market offers such alternatives and the production on site of electricity and heat, via pv panels and cogeneration units in some of the Group's buildings (mainly in Belgium, Italy and Luxembourg). The Group has a global strategy to promote sustainable behavior among employees, targeting the everyday use of energy and mobility preferences. The CSR team manages every year an environmental compaign, to collect data from the different entities in 20 countries where the Group is present, accounting for 90% of its total activity. The CSR team coordinates collection of data and interpretation using environmental indicatros, and gives feedback to the participating entities about their environmental performance, along with recommendations to progress on emissions reduction. The CSR team also manages Group level strategies to implement reduction measures.

Cost of management
15559383

Comment
Carbon risk management costs include the investment required for the implementation of reduction measures, per say the wages of employees involved in energy reduction projects, investment in retrofitting of buildings for energy efficiency, investment in energy production equipment, and the purchase of green certificates for low carbon electricity.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Investment chain

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Increased pricing of GHG emissions

Type of financial impact
<Not Applicable>

Company- specific description
Through our direct financing or investment, our portfolio is exposed to risks related to energy and carbon taxes. Depending on the financed sector and the geographical location, our clients are exposed to different carbon and energy legislations, especially in Europe where the European Trading Scheme is implemented. Clients in the Pacific-Asia region also face emerging regulations on carbon trading. Moreover, new regulations regarding highly polluting industries are voted every year, in compliance with countrie's commitments to phase out fossil sources and cut down their emissions. The variety and complexity of these regulations hinders our capacity to anticipate and thoroughly manage the consequent financial risks. The main risk we face as a financing institution is linked to our clients business viability in stringent legislative conditions, which falls back on their inability to pay back their debt. BNP Paribas is mainly exposed through its investments and credits in the energy sector. The computation of our financial risk is done based on our portfolio of credits to companies active in energy sector, in 5 technologies : coal, natural gas, hydropower, oil, and renewable energy.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
2000000000

Potential financial impact figure – maximum (currency)
30000000000

Explanation of financial impact figure
The Group is exposed through its financing portfolio to risks related to energy and carbon taxes and stringent regulations on polluting industries. The risk we face as a financial institution is linked to our clients business viability in stringent legislative conditions. BNP Paribas is mainly exposed through its credits in the energy sector.

Management method
We have implemented measures to track more accurately our client's resilience, depending on the diversification of their business model. A loss of investment in fossil based energy can hide better opportunities in other energy sources. This is in line with our commitment to cease funding to companies who do not have a diversification strategy, and in coherence with our objective as a Group to foster energy transition and steer financial flows towards a low carbon economy. The cost of management includes at least the wages of people involved in risk management at the Group level and the cost of data acquisition from external partners. As a financial institution, we are not able to quantify more accurately the management costs related to our clients.

Cost of management
760450

Comment
The cost of management includes at least the wages of people involved in risk management at the Group level and the cost of data acquisition from external partners. As a financial institution, we are not able to quantify more accuratly the management costs related to our clients.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact
<Not Applicable>

Company- specific description
Regulations that demand the disclosure of data to authorities and/or to the public may result in increased operational costs for BNP Paribas. The risk related to emission reporting obligations is exacerbated by the adoption by different countries of multiple and occasionally diverging legal or regulatory requirements. For instance, in France, in the process of the “Grenelle de l’environnement II” law, entities of the Group with more than 500 employees in France had to release a GHG emission reporting on scopes 1 and 2 before the 31st December 2012, and will have to update it at least every four years. This law has been reinforced by the article 173 of the Energy Transition Act that obliges assets owners to measure and publish the carbon footprint of their portfolio.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
50000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Adding a country to the environmental Group reporting results in additional costs of round 50k€ which include wages of Group and local staff, IT costs (Enablon licenses & training) and statutory auditors verification.

Management method
To anticipate the changes on reporting regulations in countries where the Group is implemented, local CSR teams are given more and more independency to allow each entity to adapt its reporting in coherence with domestic legislation. Regarding the new obligation for Asset Owners and managers to report on carbon footprint of their portfolio (art 173 of the Energy Transition Law), BNP Paribas Asset Management has already committed to do so through the signature of the Montreal Carbon Pledge in May 2015. BNP Paribas Asset Management measures and publicly discloses the carbon content of its placement funds. BNP Paribas Group has also been reporting on its emissions in compliance with Article 173 of the french law. The Group has 23 ISO 14001 certifications, covering retail banking and business lines of Arval and Real Estate, which makes BNP Paribas the world leader in the banking/insurance sector for environmental management systems. Moreover, the Group pays close attention to shiffting its electricity consumption to 100% from renewables, with the purchase of green certificates wherever the market allows this option for procurement teams. These certificates are transferred to the CSR team in Paris to ensure transparency and treacability of the Group's efforts.

Cost of management
53650

Comment
The cost of management includes the budget allocated to publish mandatory reports on carbon footprint, answers to extra financial notation agencies, services aquired from external agencies and consultants for specific missions such as strategic watch or benchmark studies.

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Technology: Costs to transition to lower emissions technology

Type of financial impact
<Not Applicable>

Company- specific description
Transitioning to energy efficient buildings is part of the Group's strategy to reduce its direct emissions from imported energy. Many countries where the Group is present develop regulatory frameworks to progress on energy efficiency ratios. In France for example, where the Group is headquartered, we are bound by the "tertiary decree", which fixes an objective of 40% reduction in building's energy consumption in the tertiary sector. All buildings of the tertiary sector are obliged to implement reduction strategies to comply with this regulation. This decree is still in debate but gives signals on the risks we face from emerging regulations. Our French Facility Manager, IMEX, has conducted retrofitting projects and energy reduction measures in the Group's buildings. Local facility managers in the other countries where the Group is present, are also progressing towards the Group's Target of 25% reduction of emissions in 2020. This is mainly achieved through the installation of lower emissions technologies. For example, In terms of Green IT, BNP Paribas is seeking to virtualize servers and work stations in order to share resources and to reduce the associated electricity and cooling consumption. It also installs servers in cooled bays with confined cooled aisles to further optimize ventilation. Moreover, facility managers in Italy, Luxembourg and Belgium have invested in electricity production units from co-generation and pv panels installed in office buildings.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
75000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In the french context, failure to respect the rules of construction is an offense punishable by criminal penalties. The penalties can go up to a fine of 45 000 €, raised to 75 000 €. This is applicable to the non respect of the law in one building.

Management method
Our French Facility Manager, IMEX, has conducted retroffiting projects and energy reduction measures in the Group's buildings. Local facility managers in the other countries where the Group is present, are also progressing towards the Group's Target of 25% reduction of emissions in 2020. This is mainly achieved through the installation of lower emissions technologies. For example, In terms of Green IT, BNP Paribas is seeking to virtualize servers and work stations in order to share resources and to reduce the associated electricity and cooling consumption. It also installs servers in cooled bays with confined cooled aisles to further optimize ventilation. Moreover, facility managers in Italy, Luxembourg and Belgium have invested in electricity production units from cogeneration and pv panels intalled in office buildings.

Cost of management
12931222

Comment
We take into account the total cost of energy efficiency projects in the Group's buildings, carried by facility management teams across the Group

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Customer

Risk type
Transition risk

Primary climate-related risk driver
Technology: Substitution of existing products and services with lower emissions options

Type of financial impact
<Not Applicable>

Company- specific description
Through our two subsidiaries specialized in leasing: BNP Paribas Leasing Solution Arval, we face additionnal costs related to new technological trends in leasing and finance solutions for professional equipment, transportation and real estate. The main risk for BNP Paribas is a loss of market share if our subsidiaries do not change their business models to meet new demands from clients and environmental regulations. Retail banking should also transform its offers to accompany clients in their transition to lower emissions technology. Moreover, the landscape of regulations is changing and will pressure our 3 business lines to change their business model. For example, the national Assembly adopted a new law on clean mobility, with a clear ambition to multiply by 5 the number of electric vehicles in use. The creation of low emission zones is also an objective carried by many municipalities. Other countries in the European Union are also engaging in rigorous plans to phase out the use of fossil fuel based vehicles and promote the use of clean vehicles. In addition, technological disruptions are expected to change the landscape of mobility in cities. All these factors of risk, will directly impact the business of Arval and Leasing solutions.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2809146684

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
As explained above, the financial impact of this climate risk is related to a loss of market share, and worst case scenario in the long term a risk of bankrupcy of our subsidiaries: Arval in particular. To compute our potential financial impact, we consider a stagnation in the revenues of Arval and Leasing solution, to illustrate that they will not be able to attract new clients if their business models don't evolve. In 2018, BNP Paribas leasing solutions financed over 357,000 projects totaling EUR 13.5 billion. Its total outstandings under management at the end of December 2018 amounted to EUR 32.1 billion. The financing outstanding of Leasing Solution were up by 8.7% compared to 2017. To calculate the risk, we consider that this growth was not reached. For Arval, the financed fleet grew by 7.7% in 2018 compared to 2017. Applying the same logic, we consider that this growth was not achieved.

Management method
BNP Paribas Leasing solutions has a CSR strategy under the "positive leasing" banner. In France for instance, BNP Paribas Leasing Solutions offers a range of services related to the leasing of low-carbon vehicles, support for customers regarding their economic and environmental performance. Arval is developing new offers to encourage customers to use low-carbon vehicles with: SMaRT (Sustainable Mobility and Responsibility Targets): an innovative offer that enables fleet managers to define and implement their energy transition strategies, in particular by deploying alternative mobility solutions; Arval also has a new green mobility offer developed in partnership with ENGIE to simplify access to electric vehicles for companies, communities and individuals. For the price of a month’s rent, this integrated offer includes the rental of an electric vehicle as well as charging point installation and maintenance. It also includes a “green energy” option, making it innovative and unique in its market.

Cost of management

450000000

Comment

The cost of management is attributed to the purchase of electric vehicles by Arval, with an excpected growth of 5% (share of electric vehicles) by 2020. We apply an average price of an electric vehicle (30 000 Euros).

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact

<Not Applicable>

Company- specific description

According to a study by the World Economic Forum, on average more han 25% of a company's market value is directly attributed to its reputation. This is specifically crucial to financial institutions who have different client profiles: investors, individuals, corporates... In a competitive economic environment, the Group's reputation of integrity, ethical practices and a sound environmental and social responsibility is critical to the Bank's ability to maintain a leading position in the market and attract more clients. First: We face risks related to our clients increased awareness of sustainability issues and the negative feedback from NGOs and notation agencies. Second, we face risks of litigation and claims from states and citizens caused by our involvement in financing industries that might fail to respect environmental laws, or contribute to climate change. In the last few years, many claims were filled by citizens or states against large emitters for failure to mitigate severe environmental impacts, seeking compensation for damages or health issues, failure to comply with national or supranational regulations on environment and climate. From the side of investors and shareholders, we may be subject to claims for failure to properly evaluate, disclose and manage the risks inherent with our assets.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12325000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Reputation risks have different impacts on the Group, depending on their nature and severity. Litigation risks in the form of claims affect directly the Bank's earnings, if we were to pay fines, penalties or damage and interests. If the reputation risk is broader, affecting our position in the market and in client's perception, we face a valuation stock drop and a loss of our immaterial capital (social and political position). In the worst case scenario, we are at risk of suspension of our licence to operate and market exclusion. As the financial impact of these risks is very complex to quantify, no methodology is yet able to accurately determine sectors of risk regulatory exposure and possible occurrence of non compliance... Thus, we rely on the study of the World Economic Forum, previously mentioned, to approximately calculate the financial impact of reputation risk.

Management method

Our Continuity Activity and Recovery Plans, reviewed on a yearly basis, is help us manage the risk of loosing our capacity to operate by maintaining the continuity of critical services and operations .

Cost of management

634100

Comment

Cost of management includes at least the wages of people involved in establishing and maintaining our Continuity Activity and Recovery Plans. Monitoring the ACP and investing in the mitigation measures requires around 4M€ / year.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Customer

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Increased credit risk (e.g., increased probability of default and/or loss given default)

Company- specific description

The most significant physical risk from climate change is our client's exposure to changing precipitation patterns and extreme variability of weather events, implying water availibility issues. Climate Change has an impact on the viability of power production projects. It affects the performance of power plants (for example hydro energy). For exemple, EDF's hydropower production fell by 16.4% over the first nine months of 2017 compared to 2016 (EDF is the producer of electricity in France). Financial implications are calculated using the Group's exposure to hydropower, to which we apply a potential loss of production (estimated at 20%).

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

704793778

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

To estimate the financial risk of the changing precipitation patterns, we calculate our financial loss caused by a drop of production in the hydro power generation (-20%). It illustrates our clients inability to pay back their loan in expected terms.

Management method

The cost of management includes at least the wages of people involved in risk management at the Group level and the cost of data acquisition from external partners. As a financial institution, we are not able to quantify more accurately the management costs related to our clients.

Cost of management

760450

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Type of financial impact
Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description
New measures and policies are taken world wide to reduce energy consumption from buildings, especially in the European Union where studies suggest that there is a cost-effective final energy savings potential of up to 40% by 2030 to which all energy consumption sectors need to contribute in different proportions . Potential for energy savings is important in the banking sector because of consumption in branches, offices and data centers running non stop. Moreover, energy efficiency is an effective option to reach emission reduction targets and achievable through behavioral change and buildings renovation. In France, the draft of the "tertiary decree" is being finalized and should come into effect in 2019. This decree stipulates the obligation of energy renovation of the tertiary park for 2030, 2040 and 2050, in application of the French ELAN Law. BNP Paribas is taking advantage of the legislation and the advances in energy efficiency technology to implement retrofitting actions in buildings and tackle the issue of energy consumption in data centers. Energy consumption from the Group's buildings represents more than 70% in the breakdown of emissions. Energy efficiency is expected to reduce our consumption and emissions from imported energy and improve our resilience to shifts in energy prices.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
11518803

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Energy consumption from the Group's buildings represents more than 70% in the breakdown of emissions. Energy efficiency is excpected to reduce our CO_2 emissions and energy purchase costs and thus improve our resilience to shifts in energy prices. In the medium term, we have to align with the law ELAN. We consider that we should reduce our consumption by 40% in buildings. Based on the consumption of 2018, we are able to predict energy consumption in 2030 after a 40% reduction. It is then possible to translate that to economies on our energy bill.

Strategy to realize opportunity
Our facility managers carry energy efficiency projects in the Group's buildings, especially the big offices and data centers where consumption is higher and renovation is cost effective. For instance, BNP Paribas Fortis (Belgium), an important subsidiary of BNP Paribas and second country in term of economic activity of the Group after France, launched in 2017 the construction of its new headquarter Montagne du Parc in Brussels. The new design of the buildings solves problems such as lighting issues, the poor ratio

of usable to total floor space, combined with outdated technical facilities. The operational aspects of the building embody the concept of sustainability by optimising the use of technology, lowering energy consumption, optimising maintenance. One example of the sustainable approach is the Seasonal Thermal Energy Storage (STES) concept for supplying energy for the building's thermal management.Water stored in a huge 14,000m³ tank located in the basement is used for thermal transfers for both heating and cooling purposes. With this new system, future energy consumption in the new building will be 7 times lower compared with the old building. In addition, our facility manager in France (IMEX) has implemented 13 projects and 4 more are in progress to monitor energy consumption in the Group's buildings in France. IMEX is also strengthening its strategy to reduce energy consumption from data centers, by installing servers in cooled aisles for lower consumption.

Cost to realize opportunity
12931222

Comment
To calculate the cost to realize this opportunity, we take into account the total budget of energy efficiency projects within BNP Paribas.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Type of financial impact
Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description
As new markets emerge from changing customer preferences, the risks inherent with theses changes also come with opportunities that the Group should consider and take advantage of. Considering our position as Europe's leading bank and one of the top financial institutions in the world, we are bound to provide our customers with new offers for products and services with low emission options. Our clients, as individuals, Small and medium enterprises and corporates show interest in sustainable (especially green) solutions for financing and investing. Investors are more attentive to the ESG performance of funds, individuals apply for loans for specific projects as building renovation for energy efficiency or installation of pv panels, loans for green vehicles, corporates need investment and financing for renewable energy projects . The banking sector needs to adapt by diversifying the offers, putting the emphasis on ESG criteria, developing new tools for sustainability assessment. This is an opportunity for BNP Paribas to strengthen its position in the sustainable finance field, increase the attractiveness of our products and take part in the global effort of steering financial flows towards a low carbon economy, in compliance with the Paris Agreement.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
168000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We consider that the shift to low carbon economy offers new opportunities for the financial sector such as new possibilities for financing. BNP Paribas has been committed to invest and finance projects driving the achievement of the SDGs. These business streams allow us to respond to emerging needs from clients, and address new categories of customers and new project financing

options. It is important for us to measure our contribution to SDGs. At end 2018, total financing to promote the energy transition and the SDGs (loans to companies belonging to business sectors considered as directly contributing to achieving the SDGs) was EUR 168 billion (compared to EUR 155 billion in 2017)

Strategy to realize opportunity

Developing low carbon products is part of our ambition to establish sustainbility at the core of our business while abiding by the Group's risk and profitability criteria. These products generate positive environmental and social impact and contribute to the achievement of the SDGs. . We have a dedicated program for sustainable finance within our Corporate and Institutional Banking division. The program is cross products and covers bonds and loans indices, derivatives, supply chain management and asset servicing and investment analytics, it supports all clients from corporates, multilateral development banks, insitutional investors, distributors, sovereign and wealth funds, municipalities and supranationals, as well as small and medium entreprises and individual customers. 500 people are involved in the program across the Group and the business lines. At the end of 2018, the total value of green bonds placed was 6,3 billion. Moreover, the Group is a partner of the World Bank in issuing a series of Equity linked green bonds called "Green Growth bonds". One successful aspect of the product has been the diversified investor base, it has attracted both retail and institutional investors as well as private banks. For investors, BNP Paribas has launched a range of custom indices bound by sustainable principles. We have also expertise in Social and responsible investment via our subsidiary BNP Paribas Asset Management, and in the field of green loans and leasing solutions.

Cost to realize opportunity

7119649

Comment

The cost to realize opportunity includes at least the wages of people involved in the Sustainable Finance Program and similar programs across the Group, to promote the creation of business opportunities from low emission products and services.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Type of financial impact

Increased diversification of financial assets (e.g., green bonds and infrastructure)

Company-specific description

Green bonds market The most representative example of the green finance dynamic is the rapidly growing market of sustainable bonds. The total amount of labelled Sustainable Bonds (including green bonds) issued since 2007 is ~ USD equivalent 566.3bn (as of 12-Apr-2019). The total issuance in 2019 currently stands at ~USD equivalent 63.6 bn compared to the same period last year. approx. USD equivalent 37.3bn (+71.9%), as of 19 April 2019. National and regional renewable energy targets or renewable energy support policies are some of the principal drivers in the growth of renewable energy use. A good understanding and anticipation of renewable energy regulation is the opportunity for BNP Paribas to make new offerings to the renewable energy market. For example, BNP Paribas can take advantage of incentive-based regulations to finance renewable energies and green infrastructures. Green bonds are a good example of innovation in this field. BNP Paribas has participated, along with other banks, to the release of the Green bond Principles in order to enhance the corresponding market. At the beginning of 2014, BNP Paribas has set up Sustainable Capital Markets and signed the Green Bonds Principles. In 2017, the Green Bond issues for which the Group acted as lead manager totaled 5.5 billion euros. The Group was thus in the top three players worldwide in euros in the green bonds market, a position that we had planned to achieve by 2018. BNP Paribas has identified in the Green Bonds mechanisms interesting benefits for our business: opportunity to diversify our investor base, the strong and proactive message to customers and stakeholders resulting in enhancement of our brand and reputation.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)
6000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We evaluate the business activity emerging from the green bonds market to be more than 6 billion Euros. In 2018, we reached 6.3 Bn Euros in structured and placed green bonds by the Bank.

Strategy to realize opportunity
At the end of 2018, the total value of green bonds placed was 6,3 billion including: Société du Grand Paris Inaugural EUR 1,75 bn green bond, whose net proceeds will be excursively dedicated to finance the Grand Paris automatic metro, and the Ireland's Inaugural green bond, used in particular to finance projects that promote Ireland's transition to low carbon economy. In February 2019, BNP Paribas successfully launched the first European Transition/Climate Action Bond. The net proceeds of Snam Inaugural Climate Action Bond will be used to finance and/or refinance Carbon & Emission Reduction Projects, Renewable Energy Projects, Energy Efficiency Projects ... BNP Paribas acted as Joint Lead Manager. Moreover, the Group is a partner of the World Bank in issuing a series of Equity linked green bonds called "Green Growth bonds". One successful aspect of the product has been the diversified investor base it has attracted, which includes both retail and institutional investors as well as private banks. For investors, BNP Paribas has launched a range of custom indices bound by sustainable principles, in partnership with leading rating agencies in the field of sustainable investment, including Vigeo Eiris, Forum Ethibel and Oekom Research.

Cost to realize opportunity
3000000

Comment
Cost of management includes operational costs of specialized teams and experts throughout the Group.

Identifier
Opp4

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Type of financial impact
Reputational benefits resulting in increased demand for goods/services

Company-specific description
The transition to low carbon economy requires a deep shift in all sectors and is driven by a change in consumer's behavior. The technological advances make it possible for companies to respond to their customers needs, and adapt their business models to low carbon emission technologies. This is the case in the mobility sector. The demand for Diesel vehicles is excepted to be replaced by a growing interest in electric and hybrid vehicles. Studies show that in 2017, global sales of electric cars crossed the threshold of 1 million units (1.1 million). In 2016 the rate of sales growth slowed compared with 2015, but sales picked up in 2017, registering a year-on-year increase of 54% (compared with 38% in 2016) (Source: Global EV outlook /IEA). The uptake of electric vehicles is still largely driven by the policy environment. The ten leading countries in electric vehicle adoption all have a range of policies in place to promote this tendancy. (Source : Global EV outlook 2018 by the OECD and IEA). Rising fuel prices and the withdrawal of subsidies on fuel are additional factors that contribute to the flourishing of the market. Let's note in addition, that more companies are engaging in global initiatives to switch their car fleet to electric or hybrid, such as EV 100 and EV30. The Corporate Vehicle Observatory’s recent release of the 2018 barometer shows that 59% of companies making CO2 emissions a priority in their car policies, In this context, Arval, the subsdiary of BNP Paribas specialized in vehicle leasing, has to take into account changes in the mobility sector and in the preferences of its customers and benefit from the opportunities offered by the market, through governmental incentives.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
360972677

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We consider a growth of Arval's business by 69% if the whole vehicle fleet is switched to electric. This is in line with projections about sells in the electric vehicles market by 2050. These prediction emanate from a study by "Morgan Stanley". Arval revenues in 2018 were EUR 213,593,000.

Strategy to realize opportunity
In line with the Corporate Vehicle Observatory's recent release of the 2018 barometer results, with 59% of companies making CO2 emissions a priority in their car policies, Arval has developped an offer to satisfy the changing needs of fleet managers. Arval announced the launch of an innovative approach called SMaRT - Sustainable Mobility and Responsibility Targets. This new 5 phase methodology is used to help clients define and implement their fleet energy transition strategy. This approach is part of Arval's promise to deliver objective added value expertise to its clients at a time where making fleets greener is key. The SMaRT approach makes sure to take into account: the changing attitudes towards "new" energies such as hybrid and electric vehicles, the progressive integration of CSR objectives into fleet strategies, the rising interest in alternative mobility services, the deployment of telematics based services (especially in large businesses). Arval is the first lessor in the industry to proactively offer such a structured and pragmatic approach, whilst ensuring that the implementation is duly supported with the current processes and existing digital tools. This tool is part of Arval's global strategy, to improve its car fleet and the attractiveness of its services: Arval's Electric Vehicule Offer includes a wide range of offers covering the whole electric vehicle ecosystem (integrated electric payment solution, digital services), attractive pricing, trial periods.

Cost to realize opportunity
450000000

Comment
Cost to realize opportunity includes expenses of purchasing electric vehicles, in line with Arval's objective of reaching 5% of electric vehicles in the total fleet by 2020.

Identifier
Opp5

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Type of financial impact
Increased revenue through demand for lower emissions products and services

Company-specific description
Green loans to individuals: The fight against climate change has created opportunities for the Bank because a low carbon economy requires large investments, especially in circular economy, recycling, water infrastructure, in addition to renewable energy, sustainable mobility and energy efficiency. The Bank is developing new processes and new products, to answer the emerging needs to finance low carbon economy and to accelerate the transition of all sectors. For all our clients, from households to large corporates, and including investors. All businesses of the Bank have worked on the identification of these opportunities. In addition to our access to new markets of green bonds and loans to enterprises, we provide financing solutions for our clients in the retail banking. Innovation in financial mechanisms is key to achieve cost effective financing of energy efficiency projects for individuals and contribute to the national trends in reducing energy consumption from residential and commercial buildings. This field is rapidly growing, driven by regulatory frameworks and national strategies to improve energy efficiency.

Time horizon

Current

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1200000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
For this opportunity n°5, we only consider the business activity of Domofinance program, in partnership with EDF. The total outstanding credits of Domofinance in 2018 amounted to nearly EUR 1.2 billion in 2018.

Strategy to realize opportunity
To answer to increasing demand from households for credits for energy efficiency projects, the Group via BNP Paribas Personal Finance entered a partnership with EDF in 2003 (French electricity provider) to provide a wide range of financing solutions: Solutions distributed by its construction professional partners in the form of loans subsidized by EDF, Zero interest ecological loans, renovation loans.. . Domofinance's ambition is to contribute to the energy tansition in France by offering individuals low rate financing solutions subsidized by EDF to undertake energy renovation work in their homes. Domofinance is 55% owned by BNPP Personal Finance. For households, the four retail markets of the BNPP (Belgium, France, Luxembourg and Italy) have developed specific offers with discounted loan rate for electric vehicles, renovation of homes to improve energy efficiency, and rooftop solar energy production. For example, Personal Finance, a subsidiary of BNPP dedicated to consumer credit, has generated 44,400 new deals in 2018 of new credit for households in the field of energy transition (RD2018 p553). In total, green loans for households represent 5,3b€ mostly spread between France and Belgium. Elsewhere in Europe, BNP Paribas developed similar partnerships and products: example with Innogy in Poland, program for green mortgages in Belgium, low-rate offer for some real estate loans to promote energy renovation by Bank of The West.

Cost to realize opportunity
900000

Comment
Regarding the calculation of the cost associated to the opportunity, it is the cost of wages that has been considered here, adding the cost of the people dedicated to these deals and projects, or the prorate of the people. In total, it is representing 900,000 euros.

Identifier
Opp6

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Type of financial impact
Increased diversification of financial assets (e.g., green bonds and infrastructure)

Company-specific description
Green loans to corporates: In alignment with the Green Bond Principles, the Loan Market Association and the Asia Pacific Loan Market Association issued the Green loan Principles in March 2018 (with an update in last December, involving the Loan syndication and Trading Association). These principles establish voluntary guidelines to which the issuer should adhere, focusing on four main areas: Use of proceeds, process for project evaluation and selection, management of proceeds, reporting. Green loans are a variety of the new mechanism of sustainable loans or sustainability linked loans. These loans incorporate a pricing mechanism linked to the sustainability performance of the client (in addition to any financial ratio of credit rating, as the case may be). It is targeted to companies with a strong sustainability agenda across a wide range of industries. They offer clients 4 main

benefits: an opportunity to demonstrate their sustainability commitments to their external and internal stakeholder, alignment of their sustainability agenda with their financing, benefit from positive exposure and potential financial cost savings. On the side of financial institutions, these loans are a great way to incorporate sustainability in financing decisions. BNP Paribas is a key player in this market and provides a range of innovative solutions to finance corporates. The offers are adapted to specific needs and circumstances of the client and its sector, while ensuring marketability within the loan market.

Time horizon
Current

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
5677414037

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Financial impact of this opportunity arises from various project financing available for the Bank. Based on past recordings, we were able to evaluate the financial impact. We took into account the most significant projects in which the Group was involved as a lender to companies, in the form of green loans. Other sustainable loans were not considered in this estimation, restricted to loans with an impact on climate.

Strategy to realize opportunity
The Group has developed a portfolio of green loans to companies, in complementarity with the green bonds portfolio. Green Loans are a complement or an alternative to Green Bonds. For instance, the Group has issued a green loan to ORES, the first energy distribution netwok manager in Wallonia, Belgium. The Loan documentation was aligned with Ores' Green Financing Framweork and was assessed and approved by Vigeo Eiris. Preoceeds will be used for financing several green projects related to renewable energy, energy efficiency and smart mobility. Another mechanism used by the Group is sustainability linked loans, like the one attributed by BNP Paribas Fortis to Solvay, a producer of chemicals, plastics and composites for industries. An existing loan of EUR 2 Billion was renegotiated, to link the cost of the credit to Solvay's targets to reduce GHG emissions. Green loans and Sustainability linked loans are cross sectoral and can be emitted for different industries.

Cost to realize opportunity
3000000

Comment
Cost of management includes operational costs of specialized teams and experts throughout the Group.

Identifier
Opp7

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Type of financial impact
Increased revenue through demand for lower emissions products and services

Company-specific description
Green leasing solutions for professional equipment: More and more companies show interest in acquiring professional equipment aligned with their objectives to reduce energy consumption or their emissions from vehicle fleets. Two types of assets are concerned with green leasing: - Logistics: for equipment and vehicles in agriculture, construction and public works, as well as transport and materials handling. - Technology: For office equipment, IT hardware and software, telecommunications and

specialized technologies (medical, security and audio visual) Through green Leasing solutions, customers can anticipate, adapt to regulations and foster innovation. They acquire efficient equipment that helps them improve their energy efficiency and reduce costs. This influences greatly their emission pathways and stregnhtens their image and the message they give to customers and stakeholder. The financial sector has to take advantage of these new needs. BNP Paribas, through Leasing solutions, our subsidiary specialized in leasing services to professionals, created a range of offers to accompany customers in their energy transition goals.

Time horizon
Current

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
8000000

Potential financial impact figure – maximum (currency)
25000000

Explanation of financial impact figure
This estimated range of financial impact corresponds to the business opportunities available for BNP Paribas Leasing Solutions in the period of 2017-2020, based on past recordings on the leasing contracts of equipment to clients willing to improve their energy efficiency (solar panels, cogeneration units, LED..) Our estimations only concern the countries where we have the highest leasing activity. We are refining our methodology to estimate the financial impact of green products of BNP Paribas Leasing Solution and the potential opportunities, by strengthening communication of CSR team with BNP Paribas Leasing Solution and implementing a sound tracking system of green contracts, covering more ranges of services, profiles of clients and countries.

Strategy to realize opportunity
BNP Paribas, through Leasing solutions, our subsidiary specialized in leasing services to profesionnals, created a range of offers to accompany customers in their energy transition goals. Leasing solutions finances equipment that serves energy transition. They can be : LED Lighting, solar parking shelters, cogenerators, electric vehicles ... In addition, Leasing Solutions promotes circular economy for customers through a full range of sustainable services linked to its financing products as: equipment maintenance financing, used asset recycling management, truck telematic (journey optimization, eco driving, preventive maintenance..), energy efficient building renovation financing. A third pillar of the Leasing Solutions offer is integrating the lease in circular economy, as it includes residual value recovering through asset's life cycle management; Residual value can be recovered by remarketing or used asset financing.

Cost to realize opportunity
300000

Comment
Cost of management includes operational costs of specialized teams and experts throughout the Group.

Identifier
Opp8

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Type of financial impact
Increased diversification of financial assets (e.g., green bonds and infrastructure)

Company-specific description
Renewable energy financing and financing advisory: An essential pillar of the transition to low carbon economy is developing

renewable energy, and in the long rum ensuring a shift of our energy systems towards clean energy sources. Installed capacity has grown significantly, in parallel with policy changes. In contrast, fossil fuel based energy sources are at risk of becoming stranded assets. This offers financial institutions an opportunity to take part in project financing in renwable energy, According to IRENA, the Internaional Renewable Energy Agency, private sources provide the bulk of renewable energy investment globally. Conventional debt and equity are the most prominent financing instruments. The Group takes part in renewable energy projects by providing financing to companies or issuing Green Bonds for the use of proceeds in the development of renewable projects. We are also an active advisor for renewable energy projects.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
15000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The financial impact is related to the Group's commitment to finance renewable energies. Note that this goal was reached in 2018. New objectives are under discussion to determine the Group's opportunity in financing more projects.

Strategy to realize opportunity
In 2015, BNP Paribas agreed to more than double the financing resources allocated to the renewable energy sector, from EUR 6.9bn in 2014 to EUR 15 bn in 2020. We have been active in financing renewable energy since 1999. The cumulative capacity of renewabl energy projects in which BNP Paribas acted as a lender in 2018 reached more than 6.6 GW. The amount of funding for this sector was EUR 15.4 Bn. The target of EUR 15 billion set for 2020, equal to double the 2015 amount, has been surpassed. In particular the Bank's teams participated in the SeaMade project, which is excpected to become the largest offshore wind farm in Belgium with a production capacity of 487 MW. For offshore wind projects: the Bank leads high profile advisory and arranges mandates in UK, Belgium, Germany, The Netherlands and France. For solar energy: The Group invests in all solar related technologies (PV, CSP..) and has a strong presence in Europe (Spain, Italy, France) and the Middle Easte (UAE) For onshore wind: Beyond 50 projects financed in Europe since 1998. Other renewables: we are at the forefront of advising and arranging innovative financing for power assets (eg: smart meter financing)

Cost to realize opportunity
300000

Comment
Cost of management includes operational costs of specialized teams and experts throughout the Group.

Identifier
Opp9

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Type of financial impact
Increased diversification of financial assets (e.g., green bonds and infrastructure)

Company-specific description
Carbon trading Carbon trading is considered as a key mechanism to reduce emissions. Regional and international markets were created and comforted by the Paris Agreement in 2015. The Article 6 of the Agreement stipulates that: Parties should be allowed to

use international trading of emission allowances to help achieve reduction targets and a framework for common robust accounting rules should be established. As a cap-and-trade scheme, carbon trading is key to support industries transition to low emission technologies and lowering the cost of reducing emissions, by enabling exchange of emission units between low emitters and high emitters, while keeping the emissions of the market under a fixed cap. This market offers financial institutions a new form of trading and is expected to benefit from traders expertise. On the other hand, the international efforts to meet the climate goals could not be met if carbon sinks such as forests are not created or sustained. We thus saw an opportunity in entering the market of voluntary carbon credits. As a first step, we engaged in carbon compensation via voluntary emission reductions to offset residual emissions from our operations.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
38000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The financial impact figure corresponds to our target in trading carbon credits through ClimateSeed and the team specialized in carbon trading.

Strategy to realize opportunity
BNP Paribas has been a carbon credit trader in the market since 2005. A dedicated team of traders provide a diverse range of carbon optimisation strategies and are primary participants in the EU allowances auction. The team advises companies on the feasibility of project financing solutions, sets up financing structures and accompany the client during the whole project life. Our main intervention is on three levels: - Carbon financing solutions: includes options, indexed based sales, emissions repurchase structures, price hedging based on cross commodities and involvement in the Clean Development Mechanism that provides emission reduction projects. - Voluntary Emissions Reductions: BNP Paribas also offers clients volountary carbon offsets. They can be sold in the secondary market to help clients contribute towards emissions reduction and promote biodiversity. This includes carbon offsets in the context of REDD+ projects, which contribute to the enhancement of forest carbon stocks, along with community development and job creation in sensitive regions of the world. - In 2018, BNP Paribas Securitites Services launched "Climate Seed" a platform allowing companies to offset their emissions using carbon voluntary emission reduction.

Cost to realize opportunity
1200000

Comment
Cost to realize opportunity includes at least the contribution of BNP Paribas to the capital of Climate Seed. Note that ClimateSeed is 100% owned by BNP Paribas. This information is public.

Identifier
Opp10

Where in the value chain does the opportunity occur?
Investment chain

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of new products or services through R&D and innovation

Type of financial impact
Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Support to innovative start-ups in the energy transition Energy transition requires developing more efficient and new technologies. Financial institutions have a role in providing funding for start-ups in the preliminary steps of products development and in scaling up innovative technologies. In fact, one of the main drivers of low carbon transition is the drop in the cost of low carbon technologies. This is possible if start-ups were given financial means to develop and deploy their products, and gradually increase the market share of low carbon solutions. Many scenarios for meeting the climate goals rely on technological disruption and a substantial change in the available industrial techniques. R&D and innovation also offer an interesting Return on investment, because transition to low carbon economy is inevitable and the pathway to achieve climate goals heavily depends on a change of the market abandoning high emission technologies and replacing them with low emissions ones.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
100000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We recognized in the financing of start-ups an interesting opportunity to enlarge our prospects. An objective of EUR 100 million by 2020 was fixed by the Group in 2015.

Strategy to realize opportunity
To support the necessary technological development for energy transition, on 2015 end the Group has committed to invest EUR 100 million by 2020 in innovative energy transition start-ups. At the end of 2018, the Group invested more than EUR 35 million in 7 start-ups and 3 energy transition funds. Out of the 4 direct investments in start-ups made in 2018, one is a french company which developed artificial intelligence software designed to optimize and reduce the energy consumption of industrial processes. Another investment was made in an american company which help to deploy fleets of shared vehicles that will ultimately become autonomous & electric. Moreover, BNP Paribas Fundation has launched in 2010 a program to support R&D in climate science and biodiversity preservation called Climate & Biodiversity Initiative. At 2018 end, it provided financial support totaling EUR 12 million to 18 international research projects, 324 researchers and raised awareness of around 300,000 people on climate change. In 2017, BNP Paribas Foundation also launched a partnership with the Bill & Melinda Gates Foundation in order to support and co-fund the One Planet Fellowship, a scientific philanthropy program devoted to Africa managed by the African Women in Agricutural Research & Development and the Agropolis Foundation. By supporting 600 African and European researchers' work on adapting agriculture to climate change, it helps to remedy the lack of scientific data in Africa on the subject.

Cost to realize opportunity
4020000

Comment
In 2018, the BNP Paribas Foundation budget for environmental research was 3,30 million Eur & the one for public awareness was 0,72 million Eur. It includes the 1,27 million Eur budget for the One Planet Fellowship programme.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	BNP Paribas is taking into consideration developments in regulatory landscape and the changes in customer behavior and market tendencies, driven by climate change and global commitments to meet the objectives of the Paris Agreement. The Bank has identified climate related risks and emerging opportunities for its offer of products and services, across its different clients. Depending on their area of expertise and their clients preferences, our business lines develop new products for sustainable financing and investing. To alleviate risks driven by a shift to low emissions products, we chose to put on the market new low emission options. In addition, BNP Paribas committed to double renewable energy financings to €15 billion in 2020. We reached €15,4 billion in 2018. BNP Paribas has also committed to reduce its exposure to coal industry and to unconventional oil and gas, and strictly monitor sensitive sectors and carbon intensive clients; These commitments for climate change affect our way of doing business in the medium and long term. Their magnitude is therefore medium to high.
Supply chain and/or value chain	Impacted	Our business continuity depends on the supply of energy, IT equipment, office supplies. Any shortage of supply will affect our activity. On the other hand, we recognize the opportunity of engaging with our main suppliers, to include environmental criteria in our supply chain. Within Group Purchasing Department, a structure dedicated to Responsible Purchasing based on a network of around 50 correspondents covers all CSR topics, including climate risks related to the activities of suppliers and sub-contractors. CSR assessments, including climate topics, are used regarding our suppliers and sub-contractors as part of calls for tenders, notably those relating to categories of risky purchases, such as promotional items. Specific questionnaires on purchasing categories with strong environmental or social impacts continued to be used. It also includes the end of life of our goods and we do have partneships with recycling companies in order to give a second life or to recycle materials from our IT equipments (laptops, prints, screen, smartphones, etc.). We do the same concerning the food waste of our company restaurants.
Adaptation and mitigation activities	Impacted	BNP Paribas committed to double the financing of renewable energies to 15 billion euros by 2020, part of its contribution to the Paris agreement and the efforts of the internaional community to steer financial flows towards adaptation and mitigation projects. BNP Paribas is taking part in the use of the proceeds of Green Bonds as an efficient financial instrument to fund renewable energy projects. BNP Paribas has also launched the Climate Initiative in 2010; The name of the intiative was changed to Climate and Biodiverisyt intiative in 2018, to highlight the importance of actions for biodiversity. The initiative emphasises the role of climate change in biodiversity erosion. the Climate Initiative has already supported 10 international research teams. In 2017, the BNP Paribas Foundation decided to double its commitment by endowing this programme with an additional EUR 6 million over three years. 18 projects were funded and a new call for projects in 2019 was launched across Europe, to select 6 to 8 reseach projects aiming to develop knwoledge on interactions between climate and biodiversity.
Investment in R&D	Impacted	BNP Paribas recognizes the role of Research and Development in defining new mechanisms for financing transition to low carbon economy. Our action is on two levels: on the one hand theuse of innovative indices for asset management, on the other hand the financing of start ups. The energy transition also requires developing more effi cient and new technologies. To support this necessary technological development, at the end of 2015, the Group committed to investing EUR 100 million by 2020 in innovative energy transition start-ups. A t the end of 2018, the Group had invested more than EUR 35 million in seven start-ups and three energy transition funds. Out of the four direct investments in startups made in 2018, one is a French company which has developed artificial intelligence software designed to optimize and reduce the energy consumption of industrial processes. Another investment was made in an American company which will help deploy fleets of shared vehicles that will ultimately become autonomous and electric.
Operations	Impacted	Our operations are impacted by changes in energy or carbon taxation, due to our dependance to the use of energy. The management of our buildings should also change to meet current or future requirements for energy efficient buildings, which will require susbtantive budgets. However, we mainly face physical risks related to cliamte change, mainly in sensitive regions of the world where the Group is present, in the pacific and asian area and the US coast. These risks are anticipated by the Group, and included in our Group's strategy. We aim to reduce by 25% our emissions from our own operations and increase the share of renewable energy in our buildings, through the purchase of green certificates wherever that is possible. Physical risks are managed through our Business Recovery Plans to prevent interruption of activity and ensure a quick recovery with miniumum loss in data or financial transactions;
Other, please specify	Please select	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	Specific risks: transition risks related to our clients resilience to changes in regulation/ market dynamic/ customer behavior + Physical risk related to extreme weather events and changing weather patterns. Specific opportunities: Opportunities rising from an increased demand for low carbon options of financing and investment. Description : The Group has to understand and anticipate the evolving environmental regulations applicable to its clients and also the clients' ability to comply adapt and take advantage of them. This is particularly at stake for clients to whom energy represents an important part of operational costs such as production of glass, aluminium, steel, cement, paper, petrochemistry, etc. Clients exposed to extreme weather events such as tropical cyclones, floods or droughts represent superior credit risks and thus indirect financial risks for BNP Paribas. Eastern Asia and the United States have been damaged by a growing number of powerful tropical cyclones and this extreme climate event risk has to be taken into account by the Group to manage its client credit risk policy. Focus has been made on hazardous infrastructures such as nuclear plants. Concerning floods and droughts; an example of sensitive activities is the agricultural sector. BNP Paribas considers that physical climate change contributed to the agricultural crisis in 2008 and 2010 (drought led to bad crops and consequently to food shortage in some developing countries). Water shortage is also a major risk in the energy sector and other industries using river or lake water in their cooling process. Clients impacted could be unable to pay their loans. On another hand, increased awareness of climate issues among our clients and a change in market dynamic offers opportunities for the Bank. Adapting our business will allow us to increase benefits from pentrating new markets of responsible investment and financing in addition to increasing our attractiveness.
Operating costs	Impacted	Risk references: Increased operating costs from enhanced emissions regulations Opportunity reference: Reduced operating costs from moving to energy efficient buildings Carbon taxes have been introduced in energy prices in some countries and will notably be enhanced by UE directive. National and regional strategies call for a general improvement of the building's energy performance; This may lead to an increase in energy expenses. However, we consider that engaging in renovation works for energy efficiency in our buildings has an interesting return on investment because it will reduce the costs of energy consumption if carried properly and sustained with awareness among employees. Risks rising from climate change often present opportunities to balance financial impacts.
Capital expenditures / capital allocation	Impacted	Risk references: reduced revenue from increased demand for low carbon products and services Opportunity reference: access to new markets As a financial institution we mainly allocate financial capital in the form of credit or investment, via diverse financial mechanisms. This capital allocation allows actors of the economy to develop their projects or extend their business. Climate risks influence the process of allocating financial capital. The transition to low carbon economy pressures some sectors and favors others. The Group has to adapt its financial strategy to cope with this dynamic. From these market changes, opportunities are available in emerging sectors, excpected to be the future norm in banking business. For instance, social and responsible investment is gaining in attractiveness from investors, needs to finance renewable energy projects are increasing .. Risk of confronting a changing consumer behavior towards "greener" financial products is managed by the integration of ESG criteria into credit and savings products and by promoting SRI funds.
Acquisitions and divestments	Impacted	Risk reference: reputation risk linked to the Group's involvement with risky companies. Transition risk from devaluation of "brown assets" Opportunity reference: access to new markets Increased revenue from low carbon products and services. In accordance with the line above, a change in capital allocation criteria leads us to take business decisions on strictly divesting from risky assets, known as "brown assets" and increase our participation in "green" or "low carbon" assets. After committing in 2016 to no longer fund any coal extraction projects or coal-fired power plants, nor any companies having ties to those industries and no diversification strategy, BNP Paribas announced in October 2017 that it will no longer fund any projects involving unconventional hydrocarbons, which includes shale oil, shale gas, oil sands, or natural gas in the Arctic. Furthermore, the Bank will no longer support any companies involved in the value chain that generate a substantial share of their revenues from these unconventional hydrocarbons. These commitments apply to the Group's existing clients and may therefore, in some cases, result in a decision to no longer work with some of them. Moreover, BNP Paribas has committed to combating deforestation via several industry policies, including those governing the agriculture, palm oil, and paper pulp sectors. In 2017, its criteria for the palm oil sector were strengthened: its customers must undertake a "No Deforestation, No Peat, No Exploitation" (NDPE) approach, a Roundtable on the Sustainable Palm Oil (RSPO) certification process, and a policy for protecting High Conservation Value (HCV) Areas. With these measures, along with those begun in previous years, such as Zero Net Deforestation commitment by 2020, the Group has been acknowledged as one of the leading financial institutions by The Global Canopy Program, an international forest protection NGO.
Access to capital	Impacted	On going discussions take place on the possibility of including Green / Brown factors in the Basel 3 regulations in order to ease capital access for the green sectors and reduce it for the high carbon emitting activities.
Assets	Impacted	Risk type: Increased operating costs of our assets due to enhanced environmental regulations (energy efficiency) + Physical risks Opportunity: Reduced operating costs from move to energy efficient buildings. First: Carbon taxes have been introduced in energy prices in some countries and will notably be enhanced by UE directive. In addition, national and regional strategies call for a general improvement of the building's energy performance; This may lead to an increase in energy expenses. However, we consider that engaging in renovation works for energy efficiency in our buildings has an interesting return on investment because it will reduce the costs of energy consumption if carried properly and sustained with awareness among employees. Risks rising from climate change often present opportunities to balance financial impacts. Second: Our physical assets are at risk of extreme weather events in climate sensitive countries. These events can lead to damage in facilities and a disruption in our activity. Our data centers are vulnerable to these weather events. A loss of data is the main threat. To counter this risk, we have established processes in our facilities to ensure continuity of our activities and a quick recovery when a disruption is inevitable.
Liabilities	Impacted	Risk reference: credit default from our clients We face an indirect impact of our clients resilience to climate risks, affecting their business depending on the nature of their activity, their levels of emissions, their readiness to adapt to stringent environmental regulations and to switch business models to align with the transition to low carbon economy. If they fail to adapt, their business viability is undermined. Paying back their liabilities to the Bank is at risk.
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative and quantitative

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Integration of climate related issues in business objectives and strategy:

Climate related issues are integrated in our business on various levels and are presented to the Board of Directors by the Director of Company Engagement department and the Head of CSR. The Board decides on sensitive issues (such as the financing strategy of the energy sector) and the business lines, functions, and subsidiaries have to comply with these decisions.

- Integration of climate related risks: Once identified and prioritized, relevant climate risks and opportunities are regularly presented to the Board of Directors by the Director of Company Engagement and the Head of CSR and to the concerned divisions at the Executive Committee in order to be integrated in the business strategy of the Group.In 2018, Risk Group has been appointed as a second line of defense to ESG verification of deal contracts, as a back up to the existing tools of ESG screening used by the business lines. This highlights the Group's commitment to assess and anticipate risks related to ESG performance of clients with a great emphasis on climate driven risks.

- Business decisions affected by climate issues: As the Group is financing various long term projects such as urban, transportation or power infrastructures, the Group’s strategy has to be considered with a long term vision (physical impacts of climate change, rising of carbon prices, etc.) and should include assessment of climate risks. The Group's business strategy in highly intensive carbon sectors and controversial industries was regulated by the following decisions:

1/ The implementation of 6 sectoral policies contributing to the climate risk management process, ensuring that associated issues are taken into account in all investment or financing in sensitive sectors such as coal fired power, unconventional Oil & Gas, palm oil, wood pulp, agriculture through non-deforestation. In this context, BNP Paribas has decided to no longer finance projects related to unconventional Oil & Gas, and will no longer support companies whose principal activity is the exploration, production, distribution, or trading of unconventional Oil & Gas.

2/ The increase of Renewable energy share in our financing of energy mix: The total amount in 2018 was EUR 15,4 billion, thus exceeding the 2020 objective of 15 Billion Euros. In 2018, the Group financed or advised on renewable energy projects totaling more than 6,6GW of installed capacity and was the leading bank for offshore wind farms financed in Europe.

3/ Ongoing discussion to use an internal carbon price that will be gradually systematized in order to account for changes induced by energy transition and the related risks in financing decisions. In 2017, BNP Paribas pilot tested the impact of an internal carbon price on the gross operating margin of a sample of customers in the loan portfolio operating in the eight highly emitting industries. The methodology is still in progress.

4/ Diversification strategy of products and services, oriented towards climate change adaptation and mitigation: An important aspect of how we take climate issues into consideration in our business strategy is the emergence of new products and services in different business lines. This diversification of our offer reflects how the Bank is adapting its strategy to new demand from clients, for more sustainable lending and investing options. Our business lines and subsidiaries have developed specific offers for different profiles of clients

Our commitment to align our business portfolio with objectives of the Paris Agreement:

In 2018, BNP Paribas signed the Katowice committment with 4 other Banks to develop tools that enable credit portfolios to be aligned with the objectives of the Paris Agreement. As such, in 2018, the Group has tested the methodology developped by the "2 degrees investing initiative". The methodology calculates the profile of the credit portfolio at various maturity dates for 5 highly carbon intensive sectors. The results give an overview of the client portfolio with a reference scenario at a given date and an estimation of what this same portfolio will be in 2023. The compatibility with a 2° scenario will be achieved by dynamic portfolio management and exogenous technological developments.

Note that BNP Paribas has developed an internal methodology to estimate the carbon content of its financed electricity and energy mixes, proven to be less carbon intensive than the world mix. The Group's objective is to reduce the kWh carbon content financed as rapidly as the world average is due to fall under the IEA scenario 450 (i.e. 85g of CO_2/kWh by 2040.

Group's strategy is driven by GHG emissions reduction targets (operational scope)

In the short term, our strategy has been notably influenced by our program Carbon Reduction 2020 which aims at reducing our CO_2e/FTE ratio by 25% in 2020 compared with 2012 by activating three levels of action: building energy efficiency, optimization of business travel, employee awareness. In total, the emissions have decreased by 23,6% in 2018 compared to 2012. In addition, BNP Paribas became carbon neutral in 2017, by reducing its emissions, using low carbon electricity in all countries where it is available and offsetting remaining emissions through partnerships with benchmark providers. The residual emissions are compensated. In 2018, offsetting all of its 2017 emissions was carried out as part of the Wild Life Works' Kasigau project. This conservation and restoration program covering 500,000 hectares of forests in Kenya also funds access to health services, water and education for local populations. A long-term partnership with the GoodPlanet Foundation was also signed in 2017 in order to set up 13,000 bio-digesters in India to preserve forests and reduce GHG emissions from wood burning.

A strong engagement in research and financing start ups:

BNP Paribas has showed a strong engagement in research for climate change, via BNP Paribas foundation and its program "Climate and biodiversity initiative". Since its launch in 2010 by the BNP Paribas Foundation, the Climate Initiative program has provided financial support totaling EUR 12 million to 324 researchers, professors and engineers working on climate change issues including collection of new data on past climates in Antarctica and the carbon sequestration of cultivated soils in Africa. The initiative also contributed to raising awareness among around 300,000 people on climate change. The Group also supports financial innovation to steer funds towards energy transition, using climate indices raising over 2 billion (including 750 million in 2018). Moreover, to support the technological development necessary to energy transition, the Group committed to invest 100 million euros by 2020 in innovative energy transition start ups. At the end of 2018, the Group had invested more than EUR 35 million in seven start-ups and three energy transition funds.

C3.1d

(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios	Details
RCP 2.6	The Group's target (for 2020) is set up to -25% GHG emissions in 2020 compared to 2012, to continue on the same trend than between 2012 and 2015. It illustrates the strong commitment of the Group to reduce its direct impact. This target is in line with the RCP 2.6 scenario of IPCC. Moreover, note that, BNP Paribas has joined the Science Based Target Initiative: a think tank working to develop methodologies enabling companies to define and follow GHG emissions reduction objectives that are consistent with the 2°c scenario defined by climate science. The Science Based Targets Initiative has not released any method enabling companies from the financial sector to set up intensive emissions targets. However, using the Sectoral Decarbonization Approach and the tool provided by the 'Science-based Targets' initiative, we can consider that under the hypothesis of a 10% reduction of the Group's total square meters at the horizon of 2020, this target is consistent with a science-based target.
Other, please specify (The transition pathway Initiative)	Supported by BNP Paribas Asset Management, this investor initiative aims at ensuring consistency between investment portfolios in the energy sector and the objective of limiting global warming to 2°C.
IEA Sustainable development scenario	In 2018, BNP Paribas tested the methodology developed by the “2 Degrees Investing Initiative” think tank which aims to analyze transition risks based on several scenarios. This methodology is based on the comparison of the profile of the credit portfolio at various maturity dates for 5 highly carbon-intensive sectors (fossil energy extraction, electricity generation, transportation, steel and cement) with several external scenarios (SDS, Greenpeace...). The first tests demonstrated the possibility to track a significant percentage of clients concerned (over 80%). BNP Paribas mainly uses the reference to SDS scenario from the International Energy Agency (IEA).
Other, please specify (Scenario ZEN 2050)	Scenario ZEN 2050 : BNPP is a member of EpE (Businesses for the environment), a trade association of big multinational companies based in France. With other members of this association, we launched a technico-economic study on carbon neutrality for France in 2050. This study describes how a carbon neutral France in 2050 would look like, presents potential technico-economic pathways to reach this carbon neutrality and describes how French households would live in this context. This study enables BNPP to have a view of the feasibility of carbon neutrality in France in 2050, how to reach carbon neutrality and what is the amount of required investment. This study has been widely shared internally and externally so that it can help our employees and our clients to align their activities with a carbon neutral pathway.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year
25

Metric
Metric tons CO2e per unit FTE employee

Base year
2012

Start year
2015

Normalized base year emissions covered by target (metric tons CO2e)
2.43

Target year
2020

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved
93.83

Target status
Underway

Please explain
We report on the same target as previous years.

% change anticipated in absolute Scope 1+2 emissions
25

% change anticipated in absolute Scope 3 emissions
25

Target reference number
Int 2

Scope
Scope 3: Business travel

% emissions in Scope
100

Targeted % reduction from base year
25

Metric
Metric tons CO2e per unit FTE employee

Base year
2012

Start year
2015

Normalized base year emissions covered by target (metric tons CO2e)
0.78

Target year
2020

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved
32.92

Target status
Underway

Please explain
We report on the same target as 2018 response and previous years.

% change anticipated in absolute Scope 1+2 emissions
25

% change anticipated in absolute Scope 3 emissions
25

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target
Renewable electricity consumption

KPI – Metric numerator
% of renewable electricity in the total electricity consumed by the Group

KPI – Metric denominator (intensity targets only)

Base year
2012

Start year
2015

Target year
2020

KPI in baseline year
14

KPI in target year
100

% achieved in reporting year
32.2

Target Status
Underway

Please explain
The Group's second commitment as part of the carbon neutrality program is to progressively increase the use of low carbon electricity for its operational needs, in all countries where this is possible. In 2018, renewable electricity represented 32.2 % of electricity consumed in the Group's buildings. It came either from purchase of renewable electricity certificates or from direct consumption of renewable energy produced by the Group's buildings.

Part of emissions target
Part of the emissions reduction target of 25 % in 2020 compared to 2012. The target covers all the emission scopes of the Group, but especially the Scope 1+2. The use of renewable electricity is a lever strategy to reach the Group's objective on emissions. BNP Paribas aims to ensure 100% of low carbon electricity, in all countries where the Group operates, and where the market offers renewable or low carbon energy.

Is this target part of an overarching initiative?
Other, please specify (Carbon neutral now)

Target
Other, please specify (Carbon content financed by the Group)

KPI – Metric numerator
gCO2/kWh financed by the Group

KPI – Metric denominator (intensity targets only)

Base year
2014

Start year
2014

Target year
2040

KPI in baseline year
400

KPI in target year
60

% achieved in reporting year
18

Target Status
Underway

Please explain
After taking a commitment in 2016 to cease funding coal mining projects, coal-fired power plants, and companies related to these sectors without a diversification strategy, BNP Paribas stopped supporting companies and infrastructure projects whose principal activity is dedicated to the exploration, production and exportation of shale oil, shale gas, tar sands, oil and gas in the Arctic zone. These commitments apply to the Group's existing clients who, as a consequence in some cases, will no longer be supported. For example, 295 companies were placed on the exclusion and monitoring list in 2018 because of the Groups sector-specific energy policies. These decisions are naturally reflected in the electricity mix and the energy mix that the Group finances. In the context of measuring its indirect emissions (scope 3) BNP Paribas has since 2014 communicated the breakdown of primary energy mixes (fossil fuel extraction) and secondary energy mixes (electricity generation) financed and has committed to ensuring they evolve in line with the 2° C scenario of the IEA. With 54% fossil sources (gas, coal and oil) and 27% renewable sources (hydro, wind, photovoltaic and other renewables), the electricity mix financed by BNP Paribas in 2018 has a lower average carbon footprint than that of the world mix, which consisted of 65% fossil sources and 25% renewable sources in 2017, according to the International Energy Agency (IEA). The kWh carbon content financed by the Group is 339g of CO_2 in 2018, compared with the world average of 484g in 2017 (Source: International Energy Agency). In line with the Paris Agreement, BNP Paribas is now committed to reducing the kWh carbon content financed as rapidly as the world average is due to fall under the IEA scenario 450 (i.e. 85g of CO_2/kWh by 2040).

Part of emissions target
Part of the Group's target to reduce exposure to coal industry;

Is this target part of an overarching initiative?
Other, please specify (IEA's 450 scenario)

Target
Other, please specify (Investment in Renewable Energy projects)

KPI – Metric numerator
Total investment in renewables in billion euros

KPI – Metric denominator (intensity targets only)

Base year
2014

Start year
2015

Target year
2020

KPI in baseline year
6.9

KPI in target year
15

% achieved in reporting year
100

Target Status
Achieved

Please explain
In 2015, BNP Paribas agreed to more than double the financing resources allocated to the renewable energy sector, from €6.9bn in 2014 to €15bn in 2020. BNP Paribas has been active in project financing for renewable energy since 1999. The cumulative capacity of renewable energy projects in which BNP Paribas acted as a lender in 2018 reached more than 6,6GW at end 2018.

Part of emissions target

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	3	6615
To be implemented*	20	44101
Implementation commenced*	6	13230
Implemented*	39	85997
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type
Low-carbon energy installation

Description of initiative
Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
1097

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
368987

Investment required (unit currency – as specified in C0.4)

724812

Payback period
1-3 years

Estimated lifetime of the initiative
16-20 years

Comment
These initiatives are voluntary and permanent. A lot of efforts has been made to produce our own renewable energy from photovoltaic systems. New eco-sustainable buildings were launched, for intance : 1) "Orizzonte Europa" building in Rome (Italy) has a photovoltaic field that is able to produce about 50% of the energy needs necessary for air conditionning 2) BNP Paribas' building in Kirchberg (Luxembourg) reduces its energy needs through bioclimatic design and improvement of quality of the walls and integrates solar panels for the production of heat and electricity. In 2018, BNP Paribas buildings produced electricity and directly consumed it in 3 countries : in Belgium 227 MWh (compared to 191 in 2017), Italy 1184 MWh, and in Luxembourg 2278 MWh. Moreover, BNP Paribas' buildings produced renewable electricity that was sold back to the grid in 3 countries: in Italy 1031 MWh (compared with 504 MWH in 2017), in Switzerland 21 MWh, and in France 14 MWh. These renewable energy installations allow the group Annual CO2e savings that are based on the annual energy production of installations and national emissions factors of average mix (Source : IEA).

Initiative type
Low-carbon energy purchase

Description of initiative
Other, please specify (Renewable electricity purchased with green certificates)

Estimated annual CO2e savings (metric tonnes CO2e)
114812

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
<1 year

Comment
The estimated lifetime of the initiative is one year because it relies on energy suppliers and their contracts. We consider that energy purchased with green certificates is at the same price of energy from the mix grid. Therefore there are no cost savings. As part of the carbon neutrality program, the Group committed to progressively increase the use of low-carbon electricity for all its needs and to reach 100% of low carbon power in all countries where the market provides such offer. The local procurement teams or the local facility management teams should ensure that power purchase will be switched to low carbon electricity as soon as possible. In 2018, energy consumption from renewable represented 23% of energy consumed in the group’s buildings. The increase in renewable electricity consumption was possible thanks to the achievements of leading countries in low carbon electricity, who increased their shares of green certificates. In beligum, 95.6% low carbon electricity (compared to 95.1 in 2017)? the UK 75,54% compared to 72% in 2017. In Luxembourg 99%, In Italy 90% Sain is also a new player in the low carbon electricity share of the group, achieving a percentage of 96,4% in 2018 compared to 87% in 2017.

Initiative type
Energy efficiency: Building fabric

Description of initiative
Insulation

Estimated annual CO2e savings (metric tonnes CO2e)
7947

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1948751

Investment required (unit currency – as specified in C0.4)
4784552

Payback period
4 - 10 years

Estimated lifetime of the initiative
16-20 years

Comment
The Group's energy consumption was 1,417 GWh in 2018. Several initiatives were taken to optimize the energy efficiency of buildings together with favorable climatic conditions in 2018 in the majority of countries where the Group operates. In our new buildings, insulation works were carried out. Moreover, new eco-sustainable buildings were also launched in Italy (such as "Orizzonte Europa" building or the Diamond Tower) and in Luxembourg (such as Kirchberg's building) and in Belgium (such as Wierde's building). The new building of BNP Paribas fortis headquarter i also integrating energy efficient mesures to reduce the energy consumption ofthe builing. Construction works are still ongoing.

Initiative type
Energy efficiency: Building services

Description of initiative
HVAC

Estimated annual CO2e savings (metric tonnes CO2e)
13531

Scope
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
909539

Investment required (unit currency – as specified in C0.4)
4665116

Payback period
4 - 10 years

Estimated lifetime of the initiative
6-10 years

Comment
A range of building services initiatives is being deployed to drive down energy consumption levels, with the expertise of local managers responsible for the administration of premises. Wherever possible in the Group, heating and lighting systems within buildings are upgraded. Main energy efficiency measures implemented are: LED and low energy lamps, replacement of hot water system, limiting cooling and heating systems, installation of PIR systems, installation of timers in various equipment allowing them to automatically switch off when unused, purchasing of fans for office employees during summer, etc. Also note that BNP Paribas' site in Merignac (France) took part in the Cube 2020 in 2018 competition which aims to promote energy savings in commercial buildings. The building achieved significant energy savings through better monitoring, energy efficiency projects (responsible for 15% of energy savings) and awareness of the employees (responsible for 18% of the energy savings).

Initiative type
Other, please specify (Behavioral change)

Description of initiative
<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)
14319

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
3511264

Investment required (unit currency – as specified in C0.4)
1002217

Payback period
1-3 years

Estimated lifetime of the initiative
<1 year

Comment
Employees are kept informed of the Group’s environmental policies through a range of channels: dedicated intranet pages, distribution of internal policies and guides to eco-behavior in certain countries and businesses and an extensive eco-gesture campaign. The campaign to raise awareness on ecogestures was stepped up as part of the COP21 measures. The main points are: energy consumption, business travel, paper and waste. Behavioral change is estimated to be responsible for 40% of annual CO2e savings between 2017 and 2018 GHG scope 1 and 2 emissions (except for savings due to low carbon energy purchase and installation). The remaining 60% are considered to be due to building fabric and services. The investment includes at least the wages of people involved within the Group, the annual hosting and maintenance of Enablon, and the cost of the CUBE 2020 participation. Estimated lifetime initiative is less than a year : climate change employee awareness campaigns have to be implemented frequently to become effective.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	BNP Paribas has decided to factor climate change considerations related to energy transition into its rating methodology for the projects and companies which it finances: the use of an internal carbon audit will be gradually systematised in order to account for changes brought about by energy transition and the related risks in its financing decisions. In 2017 a meodology was developed, based on a carbon price assumption of between 25 and 40 dollars per tonne of equivalent CO2. In 2017, BNP Paribas pilot tested the impact of an internal carbon price on the gross operating margin of the customers in its loan portfolio. The goal was to evaluate their resilience to the energy transition, to measure and steer carbon risks in the Group's loan book. This test was conducted on a sample of customers operating in the eight industries that emit the most greenhouse gases (mining, power generation, oil & gas, transport, real estate, agrifood, cement, and steel), and included a qualitative analysis of their carbon risks. Throughout 2018, these analyses, which were carried out during annual reviews, primarily in the North America and Europe , were to be extended to the rest of the world to widen the sample, refine the methods, and measure the impact of a carbon price on the Group's customers.
Compliance with regulatory requirements/standards	ISO 14001 standard: BNP Paribas monitors an internal "ISO Competency center". The consulting activity carried out by this center consists in assisting the Executive Manager and the Quality Manager within Group entities in structuring ISO projects and building Quality management systems. The ISO 14001 standard is the international standard relating to the environmental management system and which allows an organization to reduce the negative effects on the environment of its activities to the minimum and to carry out a continuous improvement of its environmental performance. In 2018, 23 separate ISO 14001 certificates were in effect within the Group. This number establishes BNP Paribas as a world leader in the banking/insurance sector for Environmental Management Systems (EMS). BNP Paribas in the United Kingdom, including Arval and its 15 certified subsidiaries throughout the world, have implemented an ambitious certification program . Collectively, these entities represent a total of 10,902 employees. In addition, 67,861 employees work in France and Belgium in offices covered by an environmental management system. In total, these two scopes represent nearly 39% of Group employees. Also note that 100% of BNP Paribas Real Estate's production in commercial property benefits from certifications or labels such as BBC, HQE, BREEAM, DGNB, LEED, etc.
Internal incentives/recognition programs	Global Sustainability and Incentive Scheme: In 2012, the Group has decided to implement the Global Sustainability and Incentive Scheme (GSIS) as part of the compensation mechanism for its top 6,300 managers. 20% of the initial allocation is related to the Group's CSR performance. In 2018, this scheme was implemented for the 6th consecutive year. This incentive is indexed to nine CSR targets, which are representative of the four pillars of the Group's governance and CSR policy. Among them the reduction of our direct emissions issued by energy consumption in our premises (scopes 1 and 2) and business travel (scope 3) by 25% / FTE in 2020 compared with the 2012 baseline (3.21 teq CO2 / FTE). Another objective is to finance up to 15 billion € the energy transition in 2020. Note as eight out of nine CSR criteria were achieved in 2013 with respect to the first international SIS plan, the relevant portion of the first allocation plan was upheld and paid out to the beneficiaries of the plan. BNP Paribas SA decided in December 2018 to pay a one-off EUR 1,000 bonus to all employees earning total compensation of less than three times the minimum wage in France (the SMIC), for a total amount of around EUR 24 million. At BNP Paribas Fortis in Belgium, part of the variable compensation known as "collective" compensation is linked to Sustainable Development Goals including the reduction of the Bank's negative impact on the environment. The 2018 objectives were met , and a total of EUR 24.1 million was paid to all employees. In Luxembourg, the Bank paid non-managerial employees an incentive premium with respect to 2017, which amounted to nearly EUR 3.6 million. At end-2018, the percentage of capital held directly or indirectly by Group employees was estimated at 3.52% (4.0% at end 2017).
Dedicated budget for other emissions reduction activities	Group CSR implements and manages emission reduction initiatives, with the assistance of more than 130 employees in 20 countries representing 90% of the full time equivalent staff managed by the Group. This is part of the environmental compaign. These initiatives cover sustainable mobility, paper reduction, waste reduction and proper management. In 2018, the environmental compaign is backed up by a new program coordinated by Purchasing teams and CSR Group, called Green Company for Employees (GC4E). This initiative aims to spread sustainable behavior among collaborators and offer susntainable alternatives. In 2019 will be launched a global compaign to minimise the spreading of single use plastic and promote green mobility. The dedicated budget includes at least the wages of people involved in the CSR Delegation, the annual costs for the hosting and maintenance of Enablon (33 k€) and the annual costs for the verification by Statutory Auditors (50 k€).
Employee engagement	Awareness and training efforts for all staff: Employees are kept informed of the Group's environmental policies through a large range of channels: dedicated Intranet pages, distribution of internal policies and guides to ecobehaviour distributed in certain countries and businesses. First of all, the CSR Delegation raises awareness and provides training on CSR issues by taking part in various seminars, mainly providing an overall presentation of the CSR policy, and more occasionally dealing with more specific themes such as energy efficiency. Employees are informed about the Group's environmental policies and objectives through an ecogestures awareness campaign. It focuses on four themes: energy consumption, business travel, paper and waste. Items are permanently available on the Group's intranet and regularly promoted during environmental events or feedbacks to the 70 entities which are collecting CSR data. Moreover, all Group staff has continuous access to training resources through regular additions and updates to the CSR section of the Group intranet. Eventually, the CSR e-learning module is permanently available to all employees and accessible on the Group intranet in four languages (French, English, Italian and Dutch). BNP Paribas employees are presented with six tasks illustrating six key themes within the group's CSR strategy, which they have to complete in order to qualify as a 'CSR Spokesperson', including: - identify elements in BNP Paribas branches in France that could help reduce the bank's direct environmental impact; - select a financing operation, taking account of its environmental and social impact; - compile a Socially Responsible Investment (SRI) portfolio. In 2018, BNP Paribas launched the "Green company for employees" program, which aims to step up the reduction in the Company's direct environmental impact, by drawing on employee contributions, particularly concerning two priority issues: the fight against plastic and the promotion of green mobility.
Dedicated budget for energy efficiency	BNP Paribas has dedicated a budget for projects aiming to improve energy efficiency of buildings. This is under the responsibility of facility management teams, in charge of identifying judicious projects and the necessary budgets. These intiatives are reported back to CSR Group to keep a close watch on the Group's efforts in energy performance.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

1) Financing and advising for renewable energy projects allows power and utilities companies to implement renewable energy infrastructures, thus reducing the GHG emission factor of average mix-electricity in the concerned countries. With total credit authorizations of around EUR 15.4 billion at end-2018 (versus EUR 12.3 billion at end-2017), BNP Paribas provides significant support to the renewable energy sector. The previous commitment to reach 15 Billion euros of investment to renewable energy in 2020 was therefore achieved. The cumulative capacity of renewable energy projects in which BNP Paribas ERI acted as a lender in 2018 reached more than 6,6GW in the EMEA region. The Group has also calculated the electricity mix that it finances: with 54% from fossil sources (gas, coal and oil) and 27 % from renewable sources (hydro, wind, photovoltaic and other renewables), the electicity mix financed by the Group has a lower average carbon footprint than the one of the world mix. The carbon content financed by the Group is 339gCO2 compared with the world average of 484g in 2017. (Source IEA) 2) At the end of 2018, the Group had provided financing or advisory to projects of renewable power around the world, with a total installed capacity of more than 6.6GW, avoiding annual emissions of around 4.4 MtCO2e. Indeed, considering the split of renewable per country, taking an average capacity factor per technology, we can deduce the production of the portfolio financed or advised by the Group in each country. Then, using the emission factor per country (in tCO2/GWh of electricity produced) provided by the International Energy Agency (in "CO2 Emissions from Fuel Combustion – Highlights" 2015): France 46 tCO2/GWh, Germany 450 tCO2/GWh, UK 349 tCO2/GWh, UAE 568 tCO2/GWh , Netherlands 489 tCO2/GWh, Spain 293 tCO2/GWh, Italy 342 tCO2/GWh, Belgium 226 tCO2/GWh, Brazil 157 tCO2/GWh, USA 456 tCO2/GWh, Portugal 346 tCO2/GWh, Japan 540 tCO2/GWh, Australia 755 tCO2/GWh, India 771 tCO2/GWh) we can get the avoided emissions of the portfolio in total.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Low-Carbon Investment (LCI) Registry Taxonomy

% revenue from low carbon product(s) in the reporting year

42.42

Comment

We consider the Group's authorizations in the power and utilities sector. The total exposure to the utilities sector was EUR 36,3 billion at the end of 2018 (see page 343 of the registration document) and the authorization on the renewable energy sector was EUR 15,4 billion at the same date. Therefore, 15,4/36,3 = 42,42

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2012

Base year end
December 31 2012

Base year emissions (metric tons CO2e)
70319

Comment
BNP Paribas reports on its GHG emissions in the “2018 Registration document” on page 555. As a financial institution, our Scope 1 emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. To determine scope 1 GHG emissions, GHG protocol / ISO 14064-1 is applied. Every year, The Group conducts a global environmental compaign to collect data from 20 countries where the Group is most active. The selected countries for the environmental compaign represent 90 % of the Group's FTE and economic activity. The data is then extrapolated across the entire Group. CSR team in Paris manages the data reporting and analysis, and gives feedback to local entities on their environmental performance.

Scope 2 (location-based)

Base year start
January 1 2012

Base year end
December 31 2012

Base year emissions (metric tons CO2e)
388323

Comment
BNP Paribas reports on its GHG emissions in the “2018 Registration document” on page 555. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 2 emissions (location based) = Electricity from average mix + District heat + District cold. Data is reported in kWh then converted to GHG emissions using emission factors chosen by the CSR team from reliable sources (IEA, ADEME..) To determine scope 2 (location based) GHG emissions, GHG protocol / ISO 14064-1 is applied. Every year, The Group conducts a global environmental compaign to collect data from 22 countries where the Group is most active. The selected countries for the environmental compaign represent 90 % of the Group's FTE and economic activity. The data is then extrapolated across the entire Group. CSR team in Paris manages the data reporting and analysis, and gives feedback to local entities on their environmental performance.

Scope 2 (market-based)

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
255540

Comment
We started calculating scope 2 emission in a market based approach in 2016. BNP Paribas does not publicly disclose Scope 2 market based GHG emissions and hasn't set any target on its Scope 2 market-based GHG emissions. However, the purchase of renewable electricity wherever the market provides such possibility is part of our emissions reduction strategy. The Group is also committed to reach 100 % of renewable electricity use in its buildings. Thereby, it was significant to calculate in intern our Scope 2 emissions in a market based approach. Scope 2 emissions (market based) = District heat + district cold + Electricity from residual mix - electricity produced on site and sold back to the grid. The CSR team is finalizing a Group's policy on green certificates. It urges local procurement teams or local facility management teams to ensure that power purchase will be switched to low carbon electricity as soon as possible. BNP Paribas considers countries under the 100gCO2/kWh (location based) emitted threshold as low-carbon electricity countries. Therefore, everywhere apart from Switzerland (electricity’s footprint is 24gCO2/kWh) and France (64gCO2/kWh), entities will have to purchase low carbon electricity.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

Bilan Carbone
Defra Voluntary 2017 Reporting Guidelines
ISO 14064-1
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
62148.59

Start date
January 1 2018

End date
December 31 2018

Comment
Scope 1 emissions are related to combustion of natural gas and fossil fuels for heating and oil for emergency units. Data is reported in kWh and then converted to GHG emissions using emission factors, chosen by CSR team from reliable sources (IEA, ADEME..). In the Group's breakdown of total emissions by scope, Scope 1 represents 12,59%. In 2018, our Scope 1 emissions decreased by 5% (absolute figure) compared to 2017.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
We account for our scope 2 emissions using a location-based method and following the GHG Protocol. We used this method to set up the Group's objective of -25% of GHG emissions in 2020. Data is reported in kWh then converted to GHG emissions using emission factors chosen by the CSR team from reliable sources (IEA and ADEME) In 2016, for the first time, BNP Paribas has also been reporting a Scope 2 market-based figure, to track the progress in Scope 2 emissions influenced by the purchase of low carbon energy from markets providing green certificates. The CSR team is finalizing a Group's policy on green certificates, applicable to all the countries where the Group is present, but specifically to the countries part of the environmental reporting campaign. It stipulates that: - Local facility teams should ensure that power purchase is switched to low carbon electricity as soon as possible, and wherever the local or regional market provides low carbon electricity offers. - If electricity which holds a green certificate, such as REC, I-REC, GO or National Systems, is consumed the emission factor associated to the consumption of this electricity is 0 gCO2/kWh. - If the electricity supplier isn't in the position to transmit this certificate, he shall provide the CSR team with an emission factor linked to the purchase of this energy. - If electricity benefits from a particular contract with a local supplier, and if he is in the position to transmit an emission factor, we use this one in our calculation of the GHG emissions with a market-based approach. Concerning the green electricity produced on site and directly consumed, the emission factor is zero. - In the case we aren't able to procure a specific emission factor from our electricity supplier, we use a residual mix (if available) or grid average emission factors. We obtain the grid average emission factor from IEA's data base. In European case, residual mix is calculated thanks to REDISS project. We refer to CDP regional regulations defined in the CDP's Accounting of Scope 2 emissions technical. This market-based method is defined in the new guidance for scope 2 of the GHG protocol. Scope 2 emissions (market based) = District heat + District cold + Electricity from residual mix - Electricity produced on site and sold back to the grid

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
288902.23

Scope 2, market-based (if applicable)
183092.13

Start date
January 1 2018

End date
December 31 2018

Comment
This year, Scope 2 emissions (location based and absolute figure) decreased by 4% compared to 2017. Market based absolute figure decreased by 14,45 %, which highlights the progress made by the Group's facility managers in purchasing renewable electricity from markets providing green certificates offers. Please refer to the Question C8 on energy for more detail about our consumption of low carbon electricity.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

17970

Emissions calculation methodology

For now, the calculation of the emissions of this category was only done on 100 % of our paper consumption. The data includes paper used internally, paper for customer relationship purposes (letters, bank statements, etc.) and other types of paper: envelopes, cheque books, etc. 19 555 tons of paper were consumed in 2018 . An average Emission Factor was selected (awaiting to improve this methodology): 0,919 kgC02e/kg of paper from ADEME Base Carbone®.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

As a financial institution, Purchased goods and services mainly include IT equipment (computers,telephones and printers), IT support, office supplies (mainly paper), office furniture and consulting services purchased or acquired during the reporting year. These categories of purchased goods and services do not contribute significantly to the Group's total scope 3 emissions. ** Influence: BNP Paribas mainly targets paper consumption within its facilities to reduce the purchased good or services emissions class. Thus, for now, the calculation of the emissions of this category was only done on 100 % of our paper consumption. The Group has already deployed internal policies and quantified objectives for 2020. In 2017, the Group's commitment to reduce paper consumption per employee by 30% in 2020 compared to 2012 was achieved and reviewed to a 43% reduction objective in 2020. The paper policy also aims to bring to 80% in 2020 the share of responsibly sourced paper (from recycling or sustainable managed forests, i.e. more than 50% recycled or PEFC or FSC labelled). In 2018, 62.5 % of paper was from responsible sources. **Risk: Emissions from the production of purchased goods and services do not contribute significantly to the Group's risk exposure. Stakeholders: Purchased goods and services are not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Outsourcing: The production of purchased goods and services has always been an outsourced activity for BNP Paribas and is typically outsourced by other companies in the banking sector. **Sector guidance: Purchased goods and services have not been identified as significant by bank-specific guidance. Therefore, the production of purchased goods and services is not a relevant source of scope 3 emissions. But GHG emissions has been calculated for our paper consumption. Note that the Procurement Function of the BNP Paribas Group wants to promote the suppliers that accompany the Group in its CSR policy and in particularly those that offer solutions that contribute to reducing its environmental impact. If necessary, the Procurement Function proceeds to setting up progress plans defined jointly with the suppliers regarding CSR issues.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

For BNP Paribas, this category includes the construction and the retrofitting of buildings (branches, office buildings and data centres) in the reporting year for the own use of BNP Paribas. **Size: The production of capital goods does not contribute significantly to the Group’s total anticipated scope 3 emissions. ** Influence: There are little emissions reductions that could be undertaken or influenced by BNP Paribas. ** Risk: Emissions from the production of capital goods do not contribute significantly to the group's risk exposure. ** Stakeholders: Capital goods are not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Outsourcing: The production of capital goods has always been an outsourced activity for BNP Paribas and is typically outsourced by other companies in the banking sector. **Sector guidance: Capital goods have not been identified as significant by bank-specific guidance. Therefore, the production of capital goods is not a relevant source of scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

For BNP Paribas, this category includes transportation and distribution losses of fuels and energy purchased and consumed during the reporting year. ** Size: Transportation and distribution losses of fuel-and-energy-related activities do not contribute significantly to the Group’s total anticipated scope 3 emissions. Indeed, the Group’s energy consumption amounted to 1,417 GWH in 2018. **Influence: There are little emissions reductions that could be undertaken or influenced by BNP Paribas. ** Risk: Emissions from transportation and distribution losses of fuel-and-energy-related activities do not contribute significantly to the Group’s risk exposure. **Stakeholders: Fuel-and-energy-related activities are not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Outsourcing: Fuel-and-energy-related activities have always been outsourced activities and are typically outsourced by other companies in the banking sector. **Sector guidance: Fuel-and-energy-related activities have not been identified as significant by bank-specific guidance. Therefore, transportation and distribution losses of fuel-and-energy-related activities are not relevant sources of scope 3 emissions

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

For BNP Paribas, this category includes principally transportation and distribution of IT equipment (mainly computers and telephones), office supplies (mainly paper) and office furniture purchased or acquired during the reporting year. ** Size: The transportation and distribution of purchased goods does not contribute significantly to the Group's total anticipated scope 3 emissions. **Influence: There are little emissions reductions that could be undertaken or influenced by BNP Paribas. ** Risk: Emissions from the transportation and distribution of purchased goods do not contribute significantly to the Group's risk exposure. **Stakeholders: Transportation and distribution of purchased goods are not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Outsourcing: The transportation and distribution of purchased goods have always been outsourced activities for BNP Paribas and are typically outsourced by other companies in the banking sector. **Sector guidance: Transportation and distribution of purchased goods have not been identified as significant by bank-specific guidance. Therefore, upstream transportation and distribution are not relevant sources of scope 3 emissions.

Waste generated in operations

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
2569

Emissions calculation methodology
The majority of waste generated by BNP is common waste, similar to household waste. 36,6% of waste is recycled/reused. We estimated the GHG emissions of the remaining 63,4% waste (17,866t) from the amount of GHG produced during their end-of-life processing in line with the European average: 38% to landfill, 20% incinerated, 24% recycled and 18% to composting. The use of these figures is justified by the fact that half the 20 monitored countries are members of the EU. By subtracting the part for recycling and readjusting these weights, the following end-of-life percentages are obtained for the non-recycled waste: 50.0% landfills, 26.3% incineration and 23.7% composting. Emission factors, based on ADEME documents for the accounting of emissions related to waste management, and using the calculations of GWP over 100 years made by the IPCC, are then assigned: landfill 47 kgCO2e/t, incineration 393 kgCO2e/t, composting72 kgCO2e/t. 17,866X(0.5X47+0.263X393+0.237X72)=2,569 tonnes

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
Waste is one of the most challenging indicators to collect particularly in the retail banking industry with many branches. In the context of its actions to promote the circular economy, the Group committed to making progress each year on the amount of waste recycled by employees, mostly paper, and on the quality of data in this respect. More reliable information concluded that a total of 28,180 tonnes of waste generated by the Group was collected, or 139kg/FTE. 36.6% of the total volume of waste is recycled, or the equivalent of 51kg per employee. Since 2011,The Group also has an ITequipment processing policy (PC, servers, screens, etc.) which makes it possible to manage the associated environmental and social risks. Its goal is to give them a second life(donations or resale)whenever possible,while ensuring their traceability. Dismantling is only considered as a last resort, with a focusplaced on maximising the recycling rate. **Size: The disposal and treatment of waste generated in operations do not contribute significantly to the Group’s total anticipated scope 3 emissions. or 135 kg/FTE. **Risk: Emissions from the disposal and treatment of waste generated in operations do not contribute significantly to the Group’s risk exposure. **Stakeholders: Waste generated in operations is not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Outsourcing: The disposal and treatment of waste generated in operations have always been outsourced activities and are typically outsourced by other companies in the banking sector. Sector guidance: Waste generated in operations has not been identified as significant by bank-specific guidance. Therefore, the disposal and treatment of waste generated in operations is not a relevant source of scope 3 emissions. Nevertheless, we calculated our GHG emissions related to our waste production and used it internally in our EP&L.

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
144974

Emissions calculation methodology
Activity data are passenger km for rail and air travel and vehicle km for road travel: - Rail travel; - Road travel: long-term lease petrol, long-term lease diesel, long-term lease hybrid, personal vehicle; - Air travel: short haul (≤ 1 000 km) economy class, short haul business & 1st classes, long haul (> 1 000 km) economy class, long haul business & 1st classes. Emissions factors: - Rail travel: Country specific EFs from ADEME V6.11 were used where available. Elsewhere the rail EFs used were from WRI, GHG Emission Factors Compilation (Emission Factors from Cross-Sector Tools, version 1.2, September 2011); - Road travel: for France and Belgium, EF's from Arval's data were used with specific EFs for petrol, diesel and an average EF where engine type was unknown. Where available, country specific EFs were used from IEA (2009) - Average new vehicle on road, 2007 data. Elsewhere, EFs used are issued from DEFRA Guidelines GHG Conversions Factors - August 2011, with EFs for petrol, diesel and average engines. The EF for hybrid engines are issued by DEFRA. - Air Travel: EFs where taken from ADEME V6.11, with a distinction between short haul economy class, short haul business & 1st classes, long haul economy class, and long haul business & 1st classes. GWP values are from the IPCC (2007) AR4 Data quality is affected by uncertainties in data collection, extrapolation based on staff numbers for entities that are not included in reporting and inherent error in Emission Factors. Some country specific EFs are lacking for rail and road travel. In a limited number of cases engine types are unknown. Business travel data was externally audited by PwC and limited assurance was obtained. Activity data was expressed in km and then multiplied by the associated Emission Factor. All EFs were selected by the CSR team from internationally recognized sources (IEA, DEFRA, ADEME, WRI). Where possible EFs were selected on a country basis and as a principle, choices between possible EFs were conservative, favoring the higher EFs. Where detailed data on business use versus personal use for company cars was unavailable, a 50% business use was assumed, with only 50% of total km accounted for in company emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
For BNP Paribas, this category includes the transportation of employees for business related activities by air, by rail and by road. In 2018, 964 million km were travelled, i.e. 4,759 km/FTE (of which 63.2% by air, 14% by train, and 22.8% by car), compared with 4,587 km/FTE in 2017; i.e. a year-on-year km/FTE increase of 3.75%. This increase, correlated with the economic activity of the Company, was mitigated by recourse to web conferencing, videoconferencing, and even telepresence. Furthermore, new and more restrictive travel policies have been set up: they encourage employees to use public transport rather than their company vehicles, or to choose economy class over business class when travelling by plane. 144974 met. ton. CO2e Activity data are passenger

Employee commuting

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
For BNP Paribas, this category includes the transportation of employees between their homes and their worksites. ** Size: BNP Paribas had around 202,624 employees in 2018. ** Influence: there are potential emissions reductions that could be undertaken or influenced by BNP Paribas. ** Risk: Emissions from employee commuting do not contribute significantly to the company's risk exposure. **Stakeholders: Employee commuting is not deemed critical by key stakeholders (e.g., customers, suppliers, investors, or civil society). **Sector guidance: employee commuting has not been identified as significant by bank-specific guidance. Therefore, employee commuting is not a relevant source of scope 3 emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
For BNP Paribas, this category does not apply. Indeed, the emissions from the operation of buildings (office buildings) that have been leased in the reporting year are included in our scopes 1 and 2. Moreover, the emissions from the operation of vehicles that have been leased in the reporting year are included in the scope 3 business travel category. Therefore, upstream leased assets are not a relevant source of scope 3 emissions.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
BNP Paribas does not sell goods. Therefore, downstream transportation and distribution are not relevant sources of scope 3 emissions.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
BNP Paribas does not sell intermediate goods. Therefore, processing of sold products is not a relevant source of scope 3 emissions.

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
BNP Paribas does not sell intermediate goods. Therefore, processing of sold products is not a relevant source of scope 3 emissions.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
BNP Paribas does not sell goods. Therefore, the end of life treatment of sold products is not a relevant source of scope 3 emissions.

Downstream leased assets

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
This category is relevant for our 2 subsidiaries in leasing business: Arval for professional vehicle leasing and Leasing solutions for professional equipment leasing. However, measuring emissions from all our leased equipment is not yet feasible.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
BNP Paribas’ franchises represent a small part of its activity. Therefore, the operation of franchises is not a relevant source of scope 3 emissions.

Investments

Evaluation status

Relevant, calculated

Metric tonnes CO2e

Emissions calculation methodology

No methodology is available for the financial sector to conduct such measurement. The diversity and complexity of sectors we finance or invest in complicate the task of estimating our emissions. However, we are taking part in several initiatives to develop a framework or reliable methodologies allowing the financial sector to measure scope 3 emissions and set reduction targets. We are committed to SBTi since 2016 and following their technical group's on the financial sector. We are also working with external consultancy firms such as 2° investing intiative. In 2018, The Group has signed the Katowice commitment with 4 other banks, to work on the development of tools allowing banks to measure their rik exposure and the carbon content of their portfolios.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

BNP Paribas is aware that scope 3 emissions from financing and investments is the most significant part of its indirect carbon footprint. The Group has major financing in industries and the energy sector. We therefore consider we should be able to assess the CO2 emissions of our clients we make possible by financing their projects. We also assume that our influence is proportional to our investment or financing. Monitoring our transition to low carbon economy requires to have meaningful assessment of our scope 3 emissions. BNP Paribas is thereby taking part in the international efforts of specialized initiatives, to develop methodologies for the financial sector (ex: Science Based Targets, 2° investing initiative, Katowice commitment). The purpose of such initiatives is to improve our understanding of CO2 emissions calculation for our financing and investment and therefore develop an adequate strategy. In 2018, BNP Paribas tested the methodology developed by the“2 Degrees Investing Initiative” think tank. This methodology calculates the profile of the credit portfolio at various maturity dates for 5 highly carbon-intensive sectors (fossil energy extraction, electricity generation, transportation, steel and cement). The first tests showed that by using this methodology it could track a significant percentage of clients concerned (over 80%). The results of this test give an overview of the client portfolio with a reference scenario at a given date and an estimation of what this same portfolio will be in 2023. The compatibility of the credit portfolio with a 2° C scenario will be achieved by dynamic portfolio management and exogenous technological developments. The Group also participates in Science Based Target Initiative (SBTI) working groups, a coalition that includes the CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the WWF, and supports companies willing to set environmental objectives that are in line with the Paris Agreement. - A new commitment to portfolio’s alignment with the 2° C climate goal: In 2018, BNP Paribas signed the Katowice commitment with 4 other banks committed to measure the climate alignment of lending portfolios and to explore ways to progressively steer financial flows through their core lending towards the goals of the Paris Agreement.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biologically sequestered carbon relevant to your organization in metric tons CO2.

Row 1

Emissions from biologically sequestered carbon (metric tons CO2)

412014

Comment

This figure represents the amount of emissions offset by the Group in 2018 to compensate the residulal emissions from 2017. This offsetting is carried as part of te Kasigau Wild Life works project in Kenya, for the conservation and restoration of the Kasigau corridor representing a 200,000 hectares of forest.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000008257

Metric numerator (Gross global combined Scope 1 and 2 emissions)
351050.82

Metric denominator
unit total revenue

Metric denominator: Unit total
42516000000

Scope 2 figure used
Location-based

% change from previous year
2.73

Direction of change
Decreased

Reason for change
Gross global emissions for scope 1 and 2 decreased by 4.19% from the previous year. This year the revenue decreased by 1.49%. Thus, the difference between gross global emissions and intensity evolution is explained by the success of the Group's reduction emission activities. This intensity decrease is the result of the various emission reduction actions led by the group. Indeed, the Group's energy consumption was 1,417 GWH in 2018 compared to 1454 GWH in 2017 This reduction is the result of several initiatives taken to optimize the energy efficiency of buildings and increase the share of renewable energy in buildings. Efforts also include staff eco-friendly behavior.

Intensity figure
1.73

Metric numerator (Gross global combined Scope 1 and 2 emissions)
351050.82

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
202624

Scope 2 figure used
Location-based

% change from previous year
7.26

Direction of change
Decreased

Reason for change
Gross global emissions for scope 1 and 2 decreased by 4.19% from the previous year, even if the number of employees increased by 3.31% . Thus, the difference between gross global emissions and intensity evolution is explained by the success of the Group's reduction emission activities. This intensity decrease is the result of the various emission reduction actions led by the group. Indeed, the Group's energy consumption was 1,417 GWH in 2018 compared to 1454 GWH in 2017. This reduction is the result of several initiatives taken to optimize the energy efficiency of buildings and increase the share of renewable energy in buildings. Efforts also include staff eco-friendly behavior.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	55444.09	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	5.21	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	0.14	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Belgium	10466.87
Brazil	11.8
Canada	66.77
France	10835.39
Germany	165.76
China, Hong Kong Special Administrative Region	0
India	21.21
Italy	11040.21
Japan	2.36
Luxembourg	1862.23
Morocco	43.82
Poland	2798.11
Portugal	14.98
Singapore	0
Spain	274.61
Switzerland	875.27
Turkey	4915.82
Ukraine	890.78
United Kingdom of Great Britain and Northern Ireland	1628.48
United States of America	9849.56
Other, please specify (Rest of the world)	6384.46

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Corporate and Investment Banking	9949.99
International Financial Services	3635.69
Retail Banking	35505.49
Functions and others	5754.96

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Belgium	18466.87	840.56	83915	80196
Brazil	484.35	484.35	3085.05	0
Canada	350.94	350.94	2324.09	0
France	19363.09	23325.55	390726.29	0
Germany	10035.43	7225.98	28113.98	12616.37
China, Hong Kong Special Administrative Region	5038.79	5038.79	6864.83	0
India	23401.86	23401.86	30352.6	0
Italy	31546.85	4083.76	94033.69	84002.75
Japan	1666.91	1666.91	3086.86	0
Luxembourg	5351.86	611.82	22067.56	19294.13
Morocco	6716.44	6716.44	9567.58	0
Poland	35171.03	23882	67809.93	18640.63
Portugal	4415.95	3208.49	15230.77	4071.5
Singapore	5029.98	5029.98	11912.82	0
Spain	2426.32	133.82	8280.96	7981.16
Switzerland	198.99	1577.18	7912.09	0
Turkey	18721.48	18721.48	42452.34	0
Ukraine	7034.6	7034.6	20139	0
United Kingdom of Great Britain and Northern Ireland	18050.35	4633.5	51728.04	39059.87
United States of America	45771.47	18058.46	101199.81	60774.13
Other, please specify (Rest of the world)	29678.63	27065.64	182392.4	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Corporate and Investment Banking	46253.25	29313.05
International Financial Services	16900.78	10710.89
Retail Banking	165049.85	104600.53
Functions and others	26752.35	16954.33

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	114812	Decreased	31.34	For this reporting year, we changed our methodology to answer this question, better following CDP's guidelines. Change in emissions due to the increase in energy consumption is calculated using the renewable energy consumption (purchased with green certificates) in countries where certificates are acquired and transfered to CSR team (Spain, Luxembourg, Italy, Belgium, Germany, UK, USA, Portugal). Using emission factors specific to each one of these countries, we were able to calculate the emission savings, considering that the use of renewable energy saves emissionsin replacement of conventional energy. We consider these emission savings as the first reason for a decrease in our (Scope 1+2) emissions.
Other emissions reduction activities	14319	Decreased	4	Following the change in methodology to answer this question, we now report a change in emissions related to energy efficiency measures and to behavioral change among our employees. As part of the Group's strategy to reduce its emissions, several projects are carried to improve the energy efficiency of buildings and the emphasis is put on changing our employees behavior when using energy (electricity, heat, cooling systems). Based on CSR team activity, we were able to identify that 60% of our emission reduction was due to energy efficiency, and 40% resulting from behavioral change. We were then able to calculate the change in emissions from these reduction activities. We use first the difference between our (Scope1+2) emissions (between 2018 and 2017) and apply a 40% ratio to get the emission savings from behavioral change and 60% for energy efficiency measures reported below under the "change in physical operating conditions " category.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions	21478	Decreased	5.86	Following the change in methodology to answer this question, we now report a change in emissions related to energy efficiency measures and to behavioral change among our employees. As part of the Group's strategy to reduce its emissions, several projects are carried to improve the energy efficiency of buildings and the emphasis is put on changing our employees behavior when using energy (electricity, heat, cooling systems). Based on CSR team activity, we were able to identify that 60% of our emission reduction was due to energy efficiency, and 40% resulting from behavioral change. We were then able to calculate the change in emissions from these reduction activities. We use first the difference between our (Scope1+2) emissions (between 2018 and 2017) and apply a 40% ratio to get the emission savings from behavioral change and 60% for energy efficiency measures reported in this figure. It takes into account the different projects carried by facility managers to improve the energy efficiency of the Group's buildings.
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	301872	301872
Consumption of purchased or acquired electricity	<Not Applicable>	321261	685033	1006294
Consumption of purchased or acquired heat	<Not Applicable>	68723	1685	70408
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	0	34993	34993
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	3690	<Not Applicable>	3690
Total energy consumption	<Not Applicable>	80195756	56932862	137128618

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)
Natural Gas

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
279649

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
245198

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
34451

Comment

Fuels (excluding feedstocks)
Gas Oil

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
22223

MWh fuel consumed for self-generation of electricity
6172

MWh fuel consumed for self-generation of heat
16051

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Gas Oil

Emission factor

268.282

Unit

kg CO2e per MWh

Emission factor source

Heating oil consumption / WRI (2008) GHG Protocol tool for stationary combustion. Version 4.0. GWP from IPCC AR4 (2007) - Fuels delivered for emergency power units / WRI (2008) GHG Protocol tool for stationary combustion. Version 4.0. GWP from IPCC AR4 (2007)

Comment

This emission factor is both applied for the gas oil consumption for heating and the gas oil delivered for emergency power units. The amount of gas oil consumed is collected by all entities within the Group environmental reporting scope. It includes : - All sites that are heated through oil (or fuel) consumption. - All emergency power units used Group wide (backup electric generator owned or rented by the Group for its own use). Only consumption concerning the professional use of premises by BNP Paribas itself is taken into account. If water or energy consumption are included in building expenses or service charges, the contributor must take these into account: - By asking consumption data for the Group from the owner or the site manager, - If no Group specific information is available, by applying a percentage to the building's overall consumption based on, for example, the area occupied by the entity, - If no information about overall building consumption is available, the contributor should identify the types of consumption existing in the building (e.g. Electricity and natural gas or heating oil) in order to flag these indicators as Applicable. The contributor could then leave the values of these applicable indicators unfilled and Enablon will extrapolate them.

Natural Gas

Emission factor

202.501

Unit

kg CO2e per MWh

Emission factor source

Natural gas consumption for heating and natural gas consumption for cogeneration / WRI (2008) GHG Protocol tool for stationary combustion. Version 4.0. GWP from IPCC AR4 (2007)

Comment

This emission factor is both applied to the natural gas consumption for heating and the natural gas consumption for cogeneration. The amount of natural gas consumed is collected by all entities within the Group environmental reporting scope and includes all sites that are heated through natural gas consumption. Only consumption concerning the professional use of premises by BNP Paribas itself is taken into account. If water or energy consumption are included in building expenses or service charges, the contributor must take these into account: - by asking consumption data for the Group from the owner or the site manager, - if no Group specific information is available, by applying a percentage to the building's overall consumption based on, for example, the area occupied by the entity, - if no information about overall building consumption is available, the contributor should identify the types of consumption existing in the building (e.g. Electricity and natural gas or heating oil) in order to flag these indicators as Applicable. The contributor could then leave the values of these applicable indicators unfilled and Enablon will extrapolate them. Concerning the natural gas consumed to produce electricity and heat buildings thanks to cogeneration, the total consumption of natural gas is systematically accounted with an emission factor of 203gCO2/kWh in both the location based and the market based method. If a part of the electricity is produced on site and sold back to the grid, this part isn't consumed, and consequently, can't be accounted. In that case, we reduce the amount of electricity purchased from the suppliers by the amount of electricity produced by cogeneration and sold back to the grid.

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	4756	3690	4756	3690
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor
Contract with suppliers or utilities (e.g. green tariff), supported by energy attribute certificates

Low-carbon technology type
Solar PV
Wind
Hydropower

Region of consumption of low-carbon electricity, heat, steam or cooling
Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling
321261.09

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
This figure represents the amount of renewable electricity directly consumed on site during the reporting year in Belgium (79,968.39 MWh), in Germany (11,143.18 MWh), in Italy (82,626.80 MWh), in Luxembourg (17,015.55 MWh), in Spain (7,981.16 MWh), in the UK (39,059.88 MWh) and in Poland (18,620.48), in Portugal (4,071.51), in USA (60,774.14 MWH) 79,968.39 + 11,143.18 + 82,626.80 +17,015.55 +18,620.48 +798.16 +39,059.88 + 4,071.51 + 60,774.14 = 314,078.09 MWH

Basis for applying a low-carbon emission factor
Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company

Low-carbon technology type
Solar PV

Region of consumption of low-carbon electricity, heat, steam or cooling
Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling
3689.87

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
This figure represents the amount of renewable electricity owned by company, produced on site and directly consumed during the reporting year in Belgium (227.366 MWh), in Italy (1,183.935 MWh), in Luxembourg (2,278.577 MWh)

Basis for applying a low-carbon emission factor
Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type
Biomass (including biogas)

Region of consumption of low-carbon electricity, heat, steam or cooling
Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling
1685.36

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
This figure represents the amount of renewable district heat consumed by company during the reporting year in Germany (1,473.199 MWh), in Italy (192.02 MWh), in Poland (20.144 MWh).

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
28180

Metric numerator
Metric tonnes

Metric denominator (intensity metric only)
-

% change from previous year
6.61

Direction of change
Increased

Please explain
The total waste disposed increased by 6.61% compared to 2017. This follows an increase in number of employees and new acquired businesses within the bank. Note that waste data is harder to collect than the other indicators because measurement is not always possible in office buildings and agencies. BNP Paribas is working on improving the number of sites where generated waste amounts are measured and the quality of the data reported on our reporting tool. As a financial institution, the main waste sources are: paper waste, IT equipment waste, furniture waste, plastic waste and food waste in company canteens. The reduction initiatives mainly target these sources. The group has an internal policy for waste management from operational activities. It encompasses the previous sources and is the result of a collaboration between CSR Delegation, Procurement Group and IMEX, which is the entity in charge of managing the building asset of the group in France. The Group has an internal policy for waste management from operational activities. It encompasses the previous sources and is the result of a collaboration between CSR Delegation, Procurements group and IMEX, which is the entity in charge of managing the building asset of the group in France. BNP Paribas also aims to reduce plastic waste, by reducing the direct consumption of single use plastic in its buildings. We mainly targets cups and their lids, plastic bottles, agitators to drink, disposable cutlery and straws. A new initiative was launched in 2018, called Green Company for Employees and aims to spread sustainable behavior among employees. One of its key focus areas is to ban single use plastic. The initiative is Group wide.

Description
Other, please specify (Paper)

Metric value
19555

Metric numerator
Metric tonnes

Metric denominator (intensity metric only)
-

% change from previous year
11

Direction of change
Decreased

Please explain
The total paper consumption of the group was 19 555 tonnes in 2018. The percentage of responsible paper among that is of 62.5%. For our waste generation measurements, we separate the share of paper waste collected and recycled. It accounts for 5999 tonnes from the total waste. The Group was committed to reduce paper consumption per employee by 30 % in 2020, moving from 165kg/FTE in 2012 to 115 Kg/FTE in 2020. In 2017, this target was reached and exceeded with a record of 113kg/FTE. In 2018, a better reduction was registered, 97 kg / FTE. Therefore BNP Paribas has reviewed the target to 94 Kg/FTE for 2020, which we are confident of reaching considering our reduction trend. The second target is shifting to responsible paper, with a percentage of 80% in 2020. We make the distinction between internal paper and client paper. The Group has a set a clear paper policy, setting the standards for the purchase of paper from responsible sources, echo – behaviors when it comes to paper consumption, and rules for paper waste management. Group policy is based on a triple bottom line: consume less, consume better, sort more. To improve the quality of the data, local managers are requested to systematically report all waste sorting, collection and recycling initiatives deployed within the Group. Sites which have not yet implemented such systems but which report substantial volumes of waste should seek to sign a contract with an effective and affordable waste management service provider.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope
Scope 1

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/ section reference
7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Pages 572-573.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/ section reference
7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Pages 572-573.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/ section reference
7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Pages 572-573.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope
Scope 3- at least one applicable category

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Attach the statement

Page/section reference
7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Pages 572-573.

Relevant standard
ISAE3000

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C1. Governance	Other, please specify (Governance)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573.	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C2. Risks and opportunities	Other, please specify (ESG risks integration and management)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573.	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C3. Business strategy	Other, please specify (Business strategy)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573.	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C4. Targets and performance	Other, please specify (Targets and performance)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573.	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C5. Emissions performance	Other, please specify	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C6. Emissions data	Other, please specify (Emissions data)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C7. Emissions breakdown	Other, please specify (Emissions breakdown)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C8. Energy	Other, please specify (Energy)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C9. Additional metrics	Other, please specify (Additional metrics)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9
C12. Engagement	Other, please specify (Engagement)	ISAE 3000 Please refer to the section 7.9 Report by one of the Statutory Auditors, appointed as an independant third part, on the consolidated non-financial information statement included in the Group management report. Registration Document Pages 572-573	The information disclosed in the chapter 7"A committed bank: information concerning the economic, social, civic and environmental responsibility of BNP Paribas" has been verified by our statutory auditors. As stated in the section 7.9

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

BNP Paribas takes part in carbon trading through our "Carbon desk" in London, a specialized team of traders in charge of trading carbon credits on the EU ETS market. We entered the market 10 years ago and rank in the Group of top five financial institutions in term of carbon trading and structuring.

In addition, each year, BNP Paribas offsets residual GHG emissions from the previous year (on the scope of its own operations). In 2018, offsetting all of 2017 emissions was carried out as part of the Kasigau Wild Life Works project (i.e. 412,014 teqCO2). The project is a REDD+ program for the conservation and restauration of the Kasigau Corridor in Kenya, with social benefits on the population.

BNP Paribas is also partner of GoodPlanet Fondation, carrying a project to install biodigesters in India. The avoided emissions are sold as credits allowing BNP Paribas to offset a part of its emissions.

In 2018, BNP Paribas Securities Services supported the launch of ClimateSeed, an emerging start up specialized in creating links between projects holders for carbon offsetting and companies willing to buy carbon credits to compensate their emissions. In the ClimateSeed platform, corporations can take action and support sustainable projects (that capture or avoid CO2 emissions), and contribute to the UN Sustainable Development Goals. Their support generates positive environmental, social and economic impacts at local and global level.

Project typology includes: afforestation/reforestation, agriculture, water management, waste management, energy and community based projects.

ClimateSeed uses an algorithm to calculate emissions, and then allow the company to choose among a wide range of sustainable projects, to finally support the selected projects.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
BNP Paribas reached carbon neutrality on its operational perimeter in 2017. This was achieved through robust emissions reduction strategy, mainly covering energy consumption in buildings and emissions from business travel. The residual part of emissions is compensated in the context of forest conservation projects. In 2018, the Group carried out the offsetting of its GHG emissions from 2017 as part of the Kasigau Wild Life works project in Kenya (i.e. 412 014 teqCO2). This project is a REDD+ initiative supported by BNP Paribas since 2010, allowing the conservation and restoration of the 200 000 hectares of the Kasigau corridor in Kenya, while providing the local communities with sustainable jobs and social programs.

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
412014

Number of credits (metric tonnes CO2e): Risk adjusted volume
412014

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Biomass energy

Project identification
- This project will provide its first Gold Standard-labelled carbon credits in December 2019 - As part of its policy to combat climate change, in 2017 BNP Paribas became a carbon neutral bank at all levels of its operations through three complementary actions: - The reduction of its CO2 emissions - The use of low carbon electricity - And by offsetting its irreducible emisisons. Indeed BNP Paribas decided that each year, BNP Paribas will offset its irreducible CO2 emissions from the previous year for the Group as a whole. Note that a long-term partnership with the GoodPlanet Foundation was also signed in 2017 in order to set up 13,000 biodigesters in India. The GoodPlanet Foundation proposed to finance individual equipment that produces biogas and compost from cattle manure. This project will enable some 12,000 families in India – over 50,000 people – to use clean energy. Since biogas will be substituted for wood or kerosene, CO2 emissions are avoided as the pressure is reduced on surrounding forests (accountability validated by an UNFCC methodology); On top of the strong environmental impact, there will also be considerable social impact: by increasing air quality, the project will help to improve living conditions among the local population, especially women, by reducing the risk of respiratory illness or eye infections caused by polluted air inside their houses. Other benefits: soil fertility (compost), suppression of wood collection for women and children, and additional revenues for individuals. Note that the credits will be provided in December 2019, this is why we report 0 in the following figures.

Verified to which standard
Gold Standard

Number of credits (metric tonnes CO2e)
0

Number of credits (metric tonnes CO2e): Risk adjusted volume
0

Credits cancelled
Not relevant

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Identify and seize low-carbon opportunities

GHG Scope

Scope 1
Scope 2
Scope 3

Application

The internal price on carbon is applied at company-wide. In 2017 and 2018, BNP Paribas has developped an internal carbon price methodology. This internal carbon price is associated with a qualitative analysis about the governance, strategy, risk management and metrics and targets of the counterparty about transition risks (based on GHG Emissions and its impact on EBITDA in case of effective carbon tax of 40 EUR per ton). It has been tested on 8 sectors in Europe, Americas and Asia Pacific. We continue to develop and improve our methodology and to this end, the testing phase has been extended. Moreover, BNP Paribas keeps strenghtening its carbon risk management as detailed p.526 of registration document.

Actual price(s) used (Currency /metric ton)

40

Variance of price(s) used

We use a price range between USD25 and USD40 per tonne of CO2. This carbon price is associated with a qualitative analysis about the governance, strategy, risk management and metrics & targets of the counterparty about transition risks.

Type of internal carbon price

Shadow price

Impact & implication

The goal of the test of a carbon price was to evaluate the resilience of our clients to the energy transition, to measure and steer carbon risks in the Group’s loan book. This test was conducted on a sample of customers operating in the eight industries that emit the most greenhouse gases (mining, power generation, oil & gas, transport, real estate, agrifood, cement, and steel), and included a qualitative analysis of their carbon risks. Throughout 2018, these analyses, which were carried out during annual reviews, primarily in the North America and Europe , were extended to the other parts of the world to widen the sample, refine the methods, and measure the impact of a carbon price on the Group’s customers.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Compliance & onboarding

Details of engagement
Included climate change in supplier selection / management mechanism
Code of conduct featuring climate change KPIs
Climate change is integrated into supplier evaluation processes

% of suppliers by number
5

% total procurement spend (direct and indirect)
30

% Scope 3 emissions as reported in C6.5
100

Rationale for the coverage of your engagement
Group purchases amount to nearly EUR 10 billion in expenditures globally. BNP Paribas is developing balanced relations with its suppliers, in line with its commitments. As a French signatory to the Charter of Responsible Supplier Relations developed by the French Ministry of Economic and Financial Affairs' Inter-Business Mediation body, the Group is committed to traceability in the supplier selection process and information confidentiality. The Purchasing teams monitor the risks of mutual dependence with suppliers, and offer a dedicated appeal process within the Group Purchasing division, a "Responsible Purchasing" team supports buyers and relies on some fifty correspondents around the world. Indeed, BNP Paribas and its various entities require its suppliers to share its conception of environmental responsibility. In particular, suppliers are asked to answer a questionnaire in order to evaluate their own environmental performance. For our scope of coverage, we track regular suppliers, around 40 000 and exclude "one shot" suppliers, difficult to engage and communicate with on a long term. We also focus on the big players and not the small contractors for punctual needs.

Impact of engagement, including measures of success
BNP Paribas pays special attention to the extra-financial issues (including climate related issues) of suppliers when analyzing tender offers, in accordance with the BNP Paribas Suppliers' CSR Charter which has been published in 2012 and updated in 2014: - standard contracts used by the purchasing teams include a clause on respect for the environment and for social practices; - tender offers issued by Group Purchasing include CSR criteria. Thus, in 2018, more than 2,000 suppliers were given ESG assessments during calls-to-tender. Specific questionnaires were created for purchasing categories with strong environmental or social impacts, such as IT hardware, auto fleets, and consulting services. CSR assessments were also conducted with the support of third-party organisations for certain calls for tenders. After selection: we monitor the suppliers risk based on a procedure including the review of CSR criteria twice a year. Moreover, since 2015, the Groupwide program "Know your Supplier" is reinforcing the process by which internal buyers can identify and reduce the risks associated with our suppliers and our supply chain, and especially GHG related risks of our main providers of goods and services. As an example, the Group endeavours to reduce the consumption of its IT equipments, with a binding integration of energy criteria (Epeat and Energy Star) in tender invitations. The calls for tenders concerning the company car fleet have also integrated CSR criteria in the environmental issues specific to this category. Lastly, responsible paper is also promoted through the Groupwide paper policy "Consume less, consume better, sort more". An objective of reaching 80% of responsible paper was set for 2020. In 2018, 62.5% of paper used internally and externally was from verified responsible sources.

Comment
More the 2000 CSR evaluations of suppliers have been achieved in 2018 by our procurement teams during the calls for tenders, including their strategy on reducing GHG emissions. By calculating the ratio of suppliers we engage with (2000) and the total of our big and regular suppliers (40 000) we reach a 5% as a percentage of suppliers by number. By crossing this figure with the expenditures from each supplier, they represent around 30% of the Group's total spend. Also note that a revised version of the CSR questionnaires is planned. Its goal is to facilitate the process of assessing suppliers by entities lacking specific CSR expertise and it includes questions consistent with new regulations.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% Scope 3 emissions as reported in C6.5

80

Please explain the rationale for selecting this group of customers and scope of engagement

Group of customers: corporates By supporting corporations as well as individuals, the Group seeks to finance responsible projects which favour the protection of the climate. Through its various business lines, BNP Paribas offers products and services to its corporate and retail customers wishing to reduce their impact on climate. BNP Paribas engagements and policies to combate climate change are published on BNP Paribas' website and thus all our customers (100%) have access to it. Our corporate customers represent a significant source of our scope 3 emissions. Sharing information on our CSR strategies and our committments will allow us to engage in a collective effort to reach our goals.

Impact of engagement, including measures of success

The Group joined the initiative driven by UNEP-FI with 16 international banks that have committed to developing a common methodology to implement the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD). Finally, the Group is collaborating with the work of ISO 14097, which will define a frame of reference for evaluating the impact of climate change on financing and investment. In 2018, BNP Paribas signed the Katowice committment along with other banks to steer financial flows towards a low carbon trajectory. The signatory banks commit to develop tools that enable credit portfolios to be aligned with the objectives of the Paris Agreement. This approach will focus primarily on sectors that are significant GHG emitters. The Group is working internally to measure the impact of its investment and financing activities. In 2018, BNP PARIBAS tested the methodology developed by the think thank "2 degrees investing initiative". It calculates the profile of the credit portfolio at various maturity dates for 5 highly carbon intensive sectors. The result of this test gives an overview of the client portfolio reference scenarios at a given date and an estimation of what this same portfolio will be in 2023. The compatibility of the credit portfolio with a 2°c scenario will be achieved by dynamic portfolio management and exogenous technological developments. Moreover, We developed an internal methodology to evaluate the carbon content of our financed energy mix. With 54m fossil sources and 27 % renewable sources, the electricity mix financed by BNP Paribas has a lower average carbon footprint than that of the world mix which consisted of 65% fossil sources and 25% renewable sources in 2017, according to the IEA. the kWh content financed by the Group is 339gCO2/kWh compared with the world average of 484 gCO2/ kWh. This information and our committments are public.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% Scope 3 emissions as reported in C6.5

80

Please explain the rationale for selecting this group of customers and scope of engagement

Group of customers: Investors Through our subsidiary BNP Paribas Asset Management, we can target our investors and engage with them in changing their investing strategies. This is a win win situation. We noticed that investors are more concerned with ESG criteria while taing investing decisions, especially regarding climate change and low carbon transition. We are also committed as a Group to contribute to the transition to low carbon economy. BNP Paribas Asset Management offers a wide range of SRI products to meet the demands of investors seeking to reconcile financial performance and societal/environmental responsibility. With more than 15 years of experience in Socially Responsible Investment, BNP Paribas offer solutions covering all asset classes: equity, bond, diversified and alternative strategies. They are available in the form of open-ended funds or dedicated, custom-designed mandates to meet the demands of institutional investors.

Impact of engagement, including measures of success

BNP Paribas'SRI portfolios include: - Best-in-Class strategies that focus on investing in issuers that we consider to be best positioned for their environmental, social and governance practices within each industry. - Thematic strategies to invest in companies whose activities are related to specific social and environmental themes and whose financial potential seems promising. This includes: 1)Environmental protection(renewable energies, energy saving products, water management,pollution control, waste recycling ...)2)Social well-being(access to health, fight against poverty,sustainable economic,development, aging of the population,micro-finance ...) - A combination of best-in-class and thematic strategies. The range of SRI funds of BNP Paribas Asset Management is regularly rewarded by the independent experts of the sector. In 2015, 15 of our SRI funds received the label of the French organization Novethic : - Ten funds have received the "ISR Novethic" label reserved for funds meeting very strict criteria in terms of transparency of the Socially Responsible Investment process and integration of ESG factors in the selection of portfolio securities. - Five funds have been awarded the "Vert Novethic Fund" label, which certifies that these funds are focused onenvironmental issues and make a significant contribution to sustainable development. Moreover, five of our funds have been awarded with LuxFlag environmental seal, a Luxembourg-based fund certification agency, for their involvement in the environmental sector and their high level of transparency with investors. The SRI funds managed by BNP Paribas Asset Management stood at EUR 36.8 billion in assets as at 31 December 2018, representing growth of over 5.2% on the previous year. BNP Paribas wealth management is preparing the launch of a new app called "My Impact" which allows clients to define how they wish to act upon sustainable development challenges and discover with their bank the positive impact solutions that match their convictions. It's based on a questionnaire that appears when opening the Bank's app to determine the investment profile of the customer and then suggest that their bank advisor contacts them for investment options in social and environmental funds.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

BNP Paribas has a committment to advance awareness and share best environmental practices.

Support to research and develop knowledge on climate change:

BNP Paribas Fondation launched in 2010 Climate Initiative, as a financial support program to support scientific research in the fields of climate change and biodiversity. The Climate Initiative has already financially supported 8 projects for EUR 12 million involving 18 international research teams. Issues being researched include the collection of new data on past climates in Antarctica and the carbon sequestration capacity of cultivated soils in Africa. A total of 324 researchers, professors and engineers have benefited from the program since 2010.

In 2018, BNP Paribas maintained its committment to the One Planet Fellowship programme. With a 5 year grant of USD 15 million, this philanthropy programme is equally funded by the Bill&Melinda Gates and the BNP Paribas Foundation. Its goal is to support 600 African European researchers working on the adaptation to climate change in Africa.

In December 2018, BNP Paribas signed a partnership with Synergie Solaire, a French dotation funds which centralizes funds but also skills of companies to financially and technically support selected NGOs, carriers of humanitarian energy access projects all over the world. Main missions consist to develop Renewable Energy solutions for humanitarian projects with an economic, social or environmental focus ; to accompany the functioning of the proposed solutions over time ; to work closely in the renewable energy sector in a win-win solidarity dynamic.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	One of the main issues about climate change is the financing of the energy transition toward a low carbon economy. BNP Paribas is committed to actively engage with regulators, policy makers and the scientific community to support the energy transition and pursues ongoing dialogue aimed at formulating policies and developing efficient financial market mechanisms to drive the energy transition and limit global warming as endorsed by the UN Paris Agreement. In 2014, several representatives from the Group were involved in discussions with the French Government following the "State conference on financing energy transition » held in June 2014. Discussion groups focused on SRI label, financing energy efficiency in housings, green bonds, carbon reporting, etc. In December 2016, the European Commission established a High-Level Expert Group (HLEG) on Sustainable Finance to advice on developing a comprehensive EU strategy on sustainable finance. BNP Paribas has participated to the HLEG's stakeholder survey on the sustainable finance interim report so that its feedbacks. In 2018, Jean-Lorent Bonnafé CEO of BNP Paribas was nominated president of Entreprises pour l'Environnement, french association gathering the big french companies around environmental and climate issues. EpE has notably been supportive of the implementation of mandatory GHG reporting in France. In 2015, EpE has been deeply involved in the organizing of the Business & Climate Summit (BCS) during the Climate Week in Paris. One of the main outcomes of the BCS is the call of the business for a carbon price to be implemented as soon as possible. In 2018, a study was conducted by EpE to imagine France's future in 2050 under a carbon neutrality scenario.	BNP Paribas fully supports legislation on energy transition financing. The Group insisted on the current difficulty on long term financing due to current legislation on solvability and cash flows. Recently, a new legal obligation has been raised which obliges asset owners to measure and disclose carbon footprint of their portfolio. This new article also paves the way to "climate resilience stress test". Moreover, since January 2016, the idea of creating an SRI label for the financing of the energy transition has become a reality. After being part of the HLEG, in 2018 BNP Paribas, represented by the Head of Sustainability Research at BNP Paribas Asset Management, took part in the working group on sustainable finance composed of technical experts tasked to draw up a set of European standards for Sustainable Development. The different experts, drawn from business, the academic world, civil society and the investment community, came together to create a classification system to determine which types of activity are regarded as sustainable from an environmental point of view. Finally, please note that BNP Paribas also supports the Green Supporting Factor initiative of the French Banking Federation in order to accelerate the financing of green assets.
Other, please specify (international climate change agreement)	Support	BNP Paribas has been upholding AFEP, Cercle de l'Industrie and MEDEF's (French business-associations) position called "Business proposals in view of a 2015 international climate change agreement at COP 21 in Paris". The chairman of BNP Paribas signed these proposals. As a signatory, BNP Paribas strongly supported the adoption in November 2015 of the Paris agreement concluded at the COP21. This ambitious agreement reflects the long-term objective of limiting global warming below 2°C. It enhances an international level playing field and in particular: - guarantee comparable efforts from all major emitting economies, ensuring fair competition between economic players; - provide a long-term and predictable framework which encourages investments and scaling by business of efficient carbon reduction and adaptation technologies, in a cost effective way; - focus the future climate framework on the States' Intended Nationally Determined Contribution (INDCs), which should avoid competitive distortions, be coherent and detailed, in a five to ten-year term, and on fostering international cooperation; - establish a reliable monitoring, reporting and verification system. Following COP21, BNP Paribas decided to double its financing to renewable energy by 2020. Moreover, as a member of Institutional Investors Group on Climate Change (IIGCC), the CEO of BNP Paribas Investment Partners engaged with others CEO investors, is asking G7 finance ministers to support a global long-term emissions reduction goal as part of the Paris agreement. They therefore urged these ministers to support: 1. A long-term global emissions reduction goal in the Paris agreement; 2. The submission of short to medium-term national emissions pledges and country level action plans. While the Paris agreement only provided a framework for what has to be done to limit global warming to 1.5-2°C, the main objective of COP22 was to put some force behind the pledges made in Paris. The next step is to establish new procedures and mechanisms to achieve the objective. These include rules on how countries will communicate their efforts with regards to climate finance.	Regarding AFEP proposition for COP21: - Launching a constructive and lasting Business Dialogue convened by the COP Presidency, between the business community and governments; - Boosting investments in low-carbon business solutions and technologies; - Intensifying R&D, innovation and deployment of mature and breakthrough technologies; - The need of carbon pricing. Regarding IIGCC letter to G7 finance ministers: as set out in 2015 Global Investor Statement on Climate Change, the global investor community is clear on the need for strong action on climate change, including an ambitious global deal, carbon pricing and phasing out of fossil fuel subsidies. Regarding the Paris Green and Sustainable Finance Initiative: along with other banks, BNP Paribas is willing to establish a permanent working group dedicated to defining standards and best practices, in coordination with the public authorities.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
Entreprises Pour l'Environnement (EpE), the French partner of the World Business Council for Sustainable Development

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
Entreprises Pour l'Environnement (EpE) is an association of approximately fifty French and international companies committed to improving the way they take the environment into account in their strategies and day-to-day management. One of the most prominent commissions within EpE is the commission on climate change. This commission suggests means by which the productive sector may contribute to the reduction of greenhouse gas emissions. It advocates that these means, such as establishing a significant price to carbon with predictable trend increasing on a long term basis, should enable to reach the environmental objective while preserving the competitiveness of companies. This commission also supports the efforts of member companies to reduce their greenhouse gas emissions. EpE has notably been supportive of the implementation of mandatory GHG reporting in France. In 2015, EpE has been deeply involved in the organizing of the Business & Climate Summit (BCS) during the Climate Week in Paris. One of the main outcomes of the BCS is the call of the business for a carbon price to be implemented as soon as possible. In 2018, Jean-Laurent Bonnafé was nominated president of Entreprises pour l'Environnement, becoming the first CEO of a financial institution to uphold this position.

How have you influenced, or are you attempting to influence their position?
In 2018, Jean-Laurent Bonnafé was nominated president of Entreprises pour l'Environnement, becoming the first CEO of a financial institution to uphold this position. In 2018, EpE conducted a study with different companies and consultancy firms to imagine France's future under a carbon neutrality scenario. This study called ZEN 2050 (for Zero Net Emissions) explores the feasibility of carbon neutrality in France in 2050. It identifies a number of conditions for the success of this transition, and concludes with short-term proposals for action to make this transformation economically and socially feasible. Moreover, BNP Paribas was a strong supporter of the implementation of mandatory GHG reporting in France for itself and for its clients, in order to gain knowledge on GHG emissions and climate risks of its counter-parties.

Trade association
L'Institut pour le Développement Durable et les Relations Internationales (IDDRI), a French Institute for Sustainable Development and International Relations

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The Institute for Sustainable Development and International Relations (IDDRI) is an independent think tank that facilitates the transition towards sustainable development. It was founded in 2001. To achieve this, IDDRI identifies the conditions and proposes the tools for integrating sustainable development into policies. It takes action at different levels, from international cooperation to that of national and sub-national governments and private companies, with each level informing the other. As a research institute and a dialogue platform, IDDRI creates the conditions for a shared analyses and expertise between stakeholders. It connects them in a transparent, collaborative manner, based on leading interdisciplinary research. IDDRI then makes its analyses and proposals available to all. Four issues are central to the institute's activities: climate, biodiversity and ecosystems, oceans, and sustainable develoment governance.

How have you influenced, or are you attempting to influence their position?
As a founding member, BNP Paribas is in the Board of IDDRI. We also take part into several working groups proposed and organized by IDDRI.

Trade association
United Nations Global Compact ("Advanced" level)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. One of the key environmental challenges of Global Compact is atmospheric pollution and the consequences of climate change.

How have you influenced, or are you attempting to influence their position?
BNP Paribas is a committee member of the Global Compact France.

Trade association
Roundtable on Sustainable Palm Oil (RSPO)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The RSPO was established in 2004 to transform the palm oil industry in collaboration with the global supply chain. Its goal is to promote the production and use of sustainable palm oil, for the planet, people, and prosperity. The second greenhouse gas working group of the RSPO was convened at the end of 2009 to establish a process so that all RSPO members can reduce GHG emissions via a voluntary mechanism consistent with the existing RSPO Principles & Criteria. This working group will also address issues of public policy and business strategies, in order to develop a process that will lead to meaningful and verifiable reductions in greenhouse gas emissions from the palm oil supply chain.

How have you influenced, or are you attempting to influence their position?
For the palm oil sector, BNP Paribas, a member of the RSPO since 2011, encourages industrial companies to join this initiative (or equivalent).

Trade association
Institutional Investors Group on Climate Change (IIGCC)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The IIGCC was established in 2001 as a forum for collaboration between pension funds and other institutional investors to address the investment risks and opportunities associated with climate change. One of the IIGCC's Key Objectives is to advocate public policy and market solutions that ensure an orderly and efficient transition to a secure climate system which is consistent with long-term investment objectives. It emphasised for example the importance of long-term policy certainty for investors and the principles IIGCC believes should apply to the design of Phase II of the EU ETS. The IIGCC also aims at providing members with the knowledge and tools to assess the investment implications of climate change. To this end it worked to develop a series of sector-based disclosure frameworks, with the aim of encouraging companies to disclose data that is easier to use in investment analysis, is comparable between companies and is able to inform corporate engagement with companies. The IIGCC has been working with the Carbon Disclosure Project on how to incorporate the framework into CDP documents. The Enterprise program of the IIGCC was set up to determine the degree to which company strategies are aligned with the goals of the Paris Climate Agreement to keep a global temperature rise well below 2 degrees Celsius above pre-industrial levels. The working group focuses on companies in sectors with a major impact on climate change and seeks to build constructive and effective dialogue.

How have you influenced, or are you attempting to influence their position?
BNPP Asset Management is an active member of the IIGCC. For several years BNPP AM has maintained a regular dialogue with car manufacturers and European companies in the oil, power generation and mining sectors for the ESG-performance assessment of companies in which it invests, and with other IIGCC members as part of collective engagement processes. The Group's subsidiary in Asset Management seeks to ensure that companies in these sectors fully understand the challenges of climate change and actively help combat it. BNPP AM helped shape recommendations in the areas of governance, strategy, emissions management, public policy, transparency and stakeholder information. They are targeted at companies in these high-emission sectors as well as investors wishing to discuss climate issues.

Trade association
International Sustainability Alliance (ISA)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The International Sustainability Alliance (ISA) is a global network of leading corporate occupiers, property investors, developers and owners. Its aim is to bring together a worldwide membership of leading commercial organisations with substantial property interests, dedicated to achieving higher sustainability in the built environment.

How have you influenced, or are you attempting to influence their position?
The subsidiary BNP Paribas Real Estate is a founding member of the ISA.

Trade association
France Green Building Council (France GBC), the French partner of the World Green Building Council (World GBC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position
France GBC is an association the object of which is to be a leading force at a national level, creating a dynamic that unites the Public and Private sectors in the service of the development of sustainable construction and renovation, but also to be the flag bearer of the French position abroad, and to contribute to the increasing and improving of what French companies have to offer.

How have you influenced, or are you attempting to influence their position?
The subsidiary BNP Paribas Real Estate is a Board member of the France GBC.

Trade association
HQE association

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
HQE association is a French platform on sustainable building and planning created in 1996.

How have you influenced, or are you attempting to influence their position?
The subsidiary BNP Paribas Real Estate is a Board member of the HQE association.

Trade association
Institut de la Performance Énergétique (IFPEB, French Institute for the building's energy performance)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
The IFPEB is a member association of big companies, working together to understand, implement and foster all the operational aspects of Sustainable Construction, under a pure market perspective. The Institute acts through projects, pooled actions (methodological writings, intelligence, sharing information, building collaborative projects) or private actions (consulting).

How have you influenced, or are you attempting to influence their position?
The sustainable development director of the subsidiary BNP Paribas Real Estate is the IFPEB Board President.

Trade association
Corporate Vehicle Observatory (CVO)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
CVO is an international research institution formed by all members of automotive market: producers, deliverers, fleet managers, insurers and government institutions representatives. CVO currently operates in 16 countries (Belgium, Brazil, Czech Republic, France, Germany, Greece, India, Italy, The Netherlands, Poland, Portugal, Russia, Spain, Switzerland, Turkey and the United Kingdom). Among other issues that are debated within this framework, CO_2 emissions are handled through themes such as electric vehicle, ecodriving, biofuels, etc.

How have you influenced, or are you attempting to influence their position?
The subsidiary Arval (vehicle long-term leasing) is the founder of CVO.

Trade association
Mouvement des entreprises de France (MEDEF, Movement of the Enterprises of France)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
The MEDEF is the main French trade association. The MEDEF has notably been supportive of the implementation of mandatory GHG reporting in France.

How have you influenced, or are you attempting to influence their position?
BNP Paribas was a strong supporter of the implementation of mandatory GHG reporting in France for itself and for its clients, in order to gain knowledge on GHG emissions and climate risks of its counter-parties.

Trade association

Association Française des Entreprises Privées (AFEP, French Association of Private Enterprises)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The AFEP is a French trade association representing more than 100 of the most important French private companies. The AFEP has notably been supportive of the implementation of mandatory GHG reporting in France.

How have you influenced, or are you attempting to influence their position?
BNP Paribas was a strong supporter of the implementation of mandatory GHG reporting in France for itself and for its clients, in order to gain knowledge on GHG emissions and climate risks of its counter-parties.

Trade association
Banking Environment initiative

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The banks of the Banking Environment Initiative (BEI) are in alliance with the Consumer Goods Forum (CGF) to investigate what it would mean to align the banking industry's services with the CGF's 2010 resolution to mobilise resources within their respective businesses to help achieve zero net deforestation by 2020. The 'Soft Commodities' Compact is a unique, client-led initiative that aims to mobilise the banking industry to help transform soft commodity supply chains, thereby helping corporate clients to achieve zero net deforestation by 2020.

How have you influenced, or are you attempting to influence their position?
Altough BNP Paribas is not a member of the Banking Environment Initiative, the Group is upholding the 'Soft Commodities' Compact since 2014.

Trade association
United Nations Environment Programme – Finance Initiative (UNEP FI)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
United Nations Environment Programme – Finance Initiative (UNEP FI) is a partnership between United Nations Environment and the global financial sector created in the wake of the 1992 Earth Summit with a mission to promote sustainable finance. More than 200 financial institutions, including banks, insurers, and investors, work with UN Environment to understand today's environmental, social and governance challenges, why they matter to finance, and how to actively participate in addressing them. UNEP FI's work also includes a strong focus on policy – by fomenting country-level dialogues between finance practitioners, supervisors, regulators and policy-makers, and, at the international level, by promoting financial sector involvement in processes such as the global climate negotiations.

How have you influenced, or are you attempting to influence their position?
In 2017, BNP Paribas announced its decision to join the UNEP Finance working group, which implements TCFD recommendations on climate reporting guidelines to assess the exposure to climate change risk.

Trade association
European Commission Action Plan on Sustainable Finance

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
THE EU commissions adopted in March 2018 an Action Plan to improve the implementation of ESG considerations in its financial policy and mobilize finance for sustainable growth.

How have you influenced, or are you attempting to influence their position?
BNPP AM has responded to the Commissions consultations on the various policy measures included in the EU road map, particularly advocating for: An inclusive understanding of sustainability risks, in particular systemic risks such as climate change Increasing mandatory corporate disclosure and for the endorsement of the TCFD recommendations by G20 countries.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

The Group engages with other Banks, intitutional investors, industrial peers, to develop new mechanisms to finance energy transition:

In January 2014, a group of 13 banks, including BNP Paribas, signed a set of Green Bond Principles establishing voluntary guidelines to which the issuer should adhere. BNP Paribas, in partnership with industry peers, was very much involved in the development of these new standards - we were elected to the Executive Committee of the Green Bond Principles in 2016, and again in 2018 for the next two years.

In 2018, the Group was the 3rd largest global player , all curencies taken together, on the sustainable bond market. The total value of the green bonds placed in 2018 was EUR 6.3 billion, including.

-Société du Grand Paris' Inaugural EUR 1.75 bn green bond whose net proceeds will be exclusively dedicated to finance the Gran Paris Express automatic metro.

-Ireland's inaugural green bond whose net proceeds will be used in particular to finance projects that promote Ireland's transition to a low carbon, climate resilient and environmentally sustainable economy.

Moreover, the Bank launched nine climate indices, which raised more than EUR 750 million in 2018. BNP Paribas Asset Management green funds invested in alternative energy and energy efficiency, for example, accounted for EUR 6.6 billion in assets under managament at 31 December 2018.

In October 2018, BNP Paribas received accreditation from the Green Climate Fund, whose objective is to catalyse funding for low carbon projects that are resilient to climate change impacts.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Being on the Board of trade associations or providing funding beyond membership ensures the Group that its opinion about climate change is taken into account by the trade associations. Moreover, the high hierarchy level of the CSR function, which deals with climate change issues, ensures that indirect activities of the Group that influence policy (trade associations, direct engagement, etc.) are consistent with the overall climate change strategy.

Concerning the funding of organizations to produce public work on climate change, the eight research projects supported by the Climate Initiative have been previously selected with the support of a Scientific Committee (including five external experts in the climate field). It ensures that the indirect activities of the Group which influence policy through research organizations are consistent with the overall climate change strategy.

Finally, note that in 2012 the BNP Paribas Group also adopted a "Charter for responsible representation with respect to the public authorities", which applies to all the Group's employees. It comprises a set of fundamental commitments in terms of integrity, transparency, social responsibility and respect for the major universal democratic values. By virtue of this charter, the Group has undertaken to publish on its website its key public positions on banking and financial regulation.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
1
BNP Paribas Registration Document and annual financial report 2018.pdf

Page/Section reference

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Environment and Energy Transition Head	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

11 companies (Accenture, BT Group, Cellnex Telecom S.A, Deutsche Telekom AG, Endesa, L'Oréal, National Grid PLC, Naturgy, Stanley Black & Decker, Inc, Vodafone Group and MetLife) asked BNP Paribas to answer the Carbon Disclosure Project Supply Chain program for the reporting year 2018. The following answer is provided by the Corporate Social Responsibility Delegation of the Group BNP Paribas.

BNP Paribas is Europe's leading provider of banking and financial services. It is present in 72 countries and has more than 202 624 employees, including more than 154 974 in Europe. BNP Paribas holds key positions in its 2 main activities: "Retail Banking & services" and "Corporate & Institutional Banking"

Retail Banking and Services encompasses :

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

- International Financial Services which comprises diversified, complementary activities such as Insurance, Wealth Management, Real Estate, or Asset Management services. Note that International Retail Banking also encompasses the Group's retail banks in 15 non Euro-zone countries, including Bank of the West in the United States, TEB in Turkey, Ukrsibbank in Ukraine, BMCI in Morroco and BNP Paribas Bank Polska in Poland.

** BNP Paribas retail banking and services has more than 33 million clients in the world.

Corporate and Institutional Banking (CIB) is a global provider of financial solutions to corporate and institutional clients. Across capital markets, securities services, financing, treasury and financial advisory, this activity aims to connect the financial needs of corporate clients with the investments of institutional investors. CIB carried 3.8 billion transactions for corporate clients, each year.

Euro 168 Billion of financing and investment was dedicated to companies active in the achievement of the 17 SDG's of the UN.

The Group's fundamental drivers are:

- Risk diversification : The diversity of our businesses and geographic regions allows us to improve our risk profile by varying exposure.

- Cross-business cooperation: Our model is based on strong cooperation across activities and business lines. Cross revenues make up 20% of revenue.

- Innovation: We use new technologies and strengthen our collaboration with new players in order to improve our operational efficiency and develop new solutions.

- Engagement: A major actor in financing the real economy, the bank has strong commitments in terms of corporate social responsibility.

BNP Paribas SA is the parent company of BNP Paribas Group.

Financial Ratings:

- On 5 April 2019, Standard & Poor's upgraded the long-term credit rating of BNP Paribas from A to A+ with a stable outlook.

- On 21 June 2018, Fitch confirmed the long-term rating of BNP Paribas at A+ with a stable outlook.

- On 27 September 2017, following its review, Moody's upgraded the long term rating of BNP Paribas from A1 to Aa3, with a stable outlook.

- On 13 July 2018, DBRS confirmed the long-term rating of BNP Paribas at AA (low) with a stable outlook.

- In July 2018 and in 2019, Euromney named BNP Paribas first bank in sustainable finance, worldwide

Committment to responsible business in 2018:

-The Group helped develop and endorsed the United Nation's "Principles for Responsible Banking" which state the role and responsibilities of the banking sector in building a sustainable future, in order to achieve the SDGs and the climate targets of the Paris Agreement.

-Through its Responsible Business Principles, published in December 2018, BNP Paribas made public its willingness to work with companies that share the same environmental and social standards.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	43161000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	FR	0000131104

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Accenture

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Accenture

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
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Requesting member
Accenture

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
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to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
BT Group

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
BT Group

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions

Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
BT Group

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Cellnex Telecom SA

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
10.66

Uncertainty (±%)
15

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Cellnex Telecom SA

Scope of emissions
Scope 2

Allocation level
Please select

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
49.58

Uncertainty (±%)
15

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Cellnex Telecom SA

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Deutsche Telekom AG

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers’ emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Deutsche Telekom AG

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member

Endesa

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0

Uncertainty (±%)

0

Major sources of emissions

Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified

No

Allocation method

Other, please specify (weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member

Endesa

Scope of emissions

Scope 2

Allocation level

Please select

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Endesa

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded

to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
L'Oréal

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
L'Oréal

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions

Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified

No

Allocation method

Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers’ emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member

L'Oréal

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0

Uncertainty (±%)

0

Major sources of emissions

Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified

No

Allocation method

Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers’ emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
MetLife, Inc.

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers’ emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
MetLife, Inc.

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member
MetLife, Inc.

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Requesting member
National Grid PLC

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)

0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member
National Grid PLC

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member
National Grid PLC

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member
Naturgy Energy Group SA

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member

Naturgy Energy Group SA

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
We used an allocation method based on the weight of the requesting members in the total exposures of the Group. This year we extended the calculation to a group wide coverage, while the previous years we only took into account transactions between the requesting member and CIB. We are then able to better inform the requesting members on the emissions attributed to our products and services, taking into account all our business with them, in all the Group's subsidiaries (retail, CIB...).

Requesting member
Naturgy Energy Group SA

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Stanley Black & Decker, Inc.

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Stanley Black & Decker, Inc.

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers’ emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Stanley Black & Decker, Inc.

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our

emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Vodafone Group

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Vodafone Group

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3

related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (Weight of the requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

Requesting member
Vodafone Group

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Scope 1 direct emissions are related to burning fossil fuels such as natural gas, heating oil and oil to provide emergency power units in our buildings. Scope 2 emissions are indirect emissions from imported energy related to the consumption of electricity, district heat or district cold in our buildings. Scope 3 emissions are indirect emissions. We calculated and reported our Scope 3 related to business travel. It encompasses travel for business purposes by road, rail or air. For scope 3, we only consider business travel, since the other categories are not easy to calculate or a financial institution.

Verified
No

Allocation method
Other, please specify (weight of requesting member)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Our activity as a financial insittution is to provide financial products and services to our clients. Our Scope 1 and 2 emissions stem from the everyday activity of our buildings and offices. We consider that our contribution to GHG emissions of every requesting member results from our activity. Our Scope 3 emissions take into account the emissions of each of our clients, so we can't allocate to them a part of our Scope 3 emissions (other than business travel) because it will lead to double counting. The way we proceeded to answer this question is by evaluating the weight of requesting member in our total exposures. The two highest exposures in this group of clients represent less than 1% in our total exposures. All the other clients weight for less than 0.1%. This means that our contribution is insignificant. Moreover, we are a carbon neutral Bank since 2017 on our operational scope, which means that all our emissions are offset, and thus we already offset our customers' emissions. As a result and due to our carbon neutrality, our services activity allocated to our customers is zero.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	We offer a wide range of products and services to our clients and the requesting members have access to all of them. To get more precision we would need an internal tool to track all kind of services used by our client, with the related time dedicated by our staff, their location, the travel they did to meet the clients expectations, etc.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Our exposures to the requesting members are lower than 0.1%. This percentage is too small to develop an allocation approach.

In addition, and as explained above, we are neural on our operational scope, so our clients should consider that emissions from our services are offset and thus carbon neutral.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member
Accenture

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
1-3 years

Details of proposal
BNP Paribas wants to participate to the energy transition by helping companies reduce their energy consumption. Its subsidiaries BNP Paribas Real Estate Services, BNP Paribas Leasing Solutions and Arval make a particular contribution . Indeed, the Group offers specific support to entrepreneurs to help them assess, design and finance the work required to boost their energy efficiency. Our three subsidiaries can engage with customers on different projects that would allow them to improve energy efficiency of their buildings or shift to electric vehicles in their fleet. This would also allow the Bank to diversify its offer in green solutions for companies.

Requesting member
BT Group

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers’ operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
Cellnex Telecom SA

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers’ operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
Deutsche Telekom AG

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
Endesa

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
L'Oréal

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Please select

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
BNP Paribas wants to participate to the energy transition by helping companies reduce their energy consumption. Its subsidiaries BNP Paribas Real Estate Services, BNP Paribas Leasing Solutions and Arval make a particular contribution . Indeed, the Group offers specific support to entrepreneurs to help them assess, design and finance the work required to boost their energy efficiency. Our three subsidiaries can engage with customers on different projects that would allow them to improve energy efficiency of their buildings or shift to electric vehicles in their fleet. This would also allow the Bank to diversify its offer in green solutions for companies.

Requesting member
MetLife, Inc.

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers’ operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
National Grid PLC

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers’ operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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buildings or shift to electric vehicles in their fleet. This would also allow the Bank to diversify its offer in green solutions for companies.

Requesting member
Naturgy Energy Group SA

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
BNP Paribas wants to participate to the energy transition by helping companies reduce their energy consumption. Its subsidiaries BNP Paribas Real Estate Services, BNP Paribas Leasing Solutions and Arval make a particular contribution . Indeed, the Group offers specific support to entrepreneurs to help them assess, design and finance the work required to boost their energy efficiency. Our three subsidiaries can engage with customers on different projects that would allow them to improve energy efficiency of their buildings or shift to electric vehicles in their fleet. This would also allow the Bank to diversify its offer in green solutions for companies.

Requesting member
Stanley Black & Decker, Inc.

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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Requesting member
Vodafone Group

Group type of project
Relationship sustainability assessment

Type of project
Sustainability audit of existing relationship

Emissions targeted
Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized
0-1 year

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
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SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?
No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms