

BNP Paribas strengthens its commitment to preserving biodiversity

- Three years after signing up to the act4nature¹ initiative, BNP Paribas is strengthening its commitments to contributing to the preservation of biodiversity.
- By 2025, the Group aims to achieve €3bn in financing linked to the protection of terrestrial biodiversity, to evaluate its corporate clients on criteria linked to biodiversity, and to invest in €250m in startups mobilised for ecological transition.

The erosion of biodiversity and the extinction rate of species are continually accelerating, thus causing significant impact around the world. In 2019, IPBES² estimated that around one million animal and plant species are threatened with extinction. In this context, it is essential to ensure that the economy and corporations act in a robust manner to preserve biodiversity and help increase positive impact.

BNP Paribas is part of this effort and for several years has been using different action levers. In 2018, the Group joined act4nature, an initiative which brings together corporations, the public sector, scientific researchers and environmental associations. The aim of this alliance is to create an international collective dynamic to protect, promote and restore biodiversity.

Strengthening BNP Paribas' act4nature commitments

In agreement with the act4nature Steering Committee, BNP Paribas is taking on new commitments to promote biodiversity alongside 16 other companies, such as:

- Evaluation of all its corporate customers on criteria linked to biodiversity by 2025;
- Dialogues with clients who trade in commodities and are active in sensitive countries, to demand demonstrations of their commitment to combating deforestation (continuing action plan, annual reporting on volumes drawn and monitored, etc.);
- Supporting clients in their transition to more biodiversity friendly models through specific financial tools. BNP Paribas has set itself the goal of reaching €3bn in financing by 2025 linked to criteria linked to the protection of terrestrial biodiversity (positive impact loans, green bonds, etc.);
- Expanding direct investments in startups mobilised in ecological transition to reach €250m by 2025;
- Deployment of a new training system related to the challenges of ecological transition and sustainable finance for the Group's 193,000 employees.

These new commitments involve the mobilisation of each of the Group's businesses. In this context, **BNP Paribas Asset Management is continuing its research in favour of greater transparency of the impact of companies on biodiversity and will shortly roll out its roadmap to measure the 'water' and 'forest' prints of its investment portfolios by 2022.** This will be reflected in its responsible investor strategy, voting and engagement policy, as well as its sector policies.

In addition, in 2021, the Group will devote a further €55m of its direct investments to the protection and restoration of natural capital.

BNP Paribas relies on IPBES mapping to structure and evaluate its actions

In order to structure and evaluate its actions, BNP Paribas chose to draw on the mapping of the five pressures that threaten biodiversity on a global scale, carried out by the IPBES in 2019. As part of its biodiversity position, BNP Paribas uses the first four to structure its actions and understand their impacts, for example:

¹ About act4nature: <http://www.act4nature.com/en/>.

² IPBES: The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

1. **Changes in land and sea use:** BNP Paribas works to **fight against deforestation** through:
 - The development of new sustainable finance tools (positive impact loans, green bonds, etc.);
 - Its financing and investment policy in the agricultural commodities sector. Like all of the Group's sector policies, it aims to limit the terms and conditions under which financing is granted to clients active in these activities. For its customers producing or buying beef or soy from Amazonia and Cerrado in Brazil, BNP Paribas will only provide financial products or services to companies with a zero deforestation strategy by 2025.
2. **Direct exploitation of certain organisms:** BNP Paribas supports actions to minimise the consumption of natural resources and wildlife, including:
 - Financing through a fund of innovative projects aimed at preserving coral reefs;
 - Or the exclusion of financing of oil and gas exploration and production projects in the offshore Arctic and the Arctic National Wildlife Refuge.In 2019, the Group published a specific position on the protection of the ocean, including a target of financing €1bn for the ecological transition of ships by 2025.
3. **Climate change:** Since 2011, BNP Paribas has been rolling out restrictive financing and investment policies in the sectors most at risk to the climate.
 - With a coal exit schedule by 2030 in the EU and OECD and by 2040 in the rest of the world;
 - An unconventional oil and gas policy implemented in 2017 to exclude all companies whose business is focused on shale oil and gas and oil from tar sands.In 2021, by joining the Net-Zero Banking Alliance, the Group continued its efforts to align its activities with the path required to achieve carbon neutrality in 2050.
4. **Pollution:** over the past several years, BNP Paribas has been fighting two major sources of coastal pollution: plastics and cigarette butts. Since 2017, the Group has ceased its financing and investment activities related to the tobacco industry.

'The degradation of biodiversity has multiple environmental, economic and human repercussions. Actors across our societies must contribute to protect ecosystems and resources. The movement can only be collective, international and deeply embedded in behaviour. That is why, within BNP Paribas, we are proactively announcing concrete actions to our customers, employees and partners and have decided to affirm the Group's commitments in a biodiversity position. In this context, coalitions like act4nature or future TNFD³ are key levers for greater integration of biodiversity challenges.' Jean Laurent Bonnafé, Director and Chief Executive Officer of BNP Paribas and Chairman of *Entreprises pour l'Environnement*.

The BNP Paribas Foundation is also mobilised to support biodiversity research through its Climate & Biodiversity Initiative programme, which aims to increase knowledge about climate change and its impacts on the environment.

About BNP Paribas

BNP Paribas is a leading bank in Europe with an international reach. It operates in 68 countries and has more than 193,000 employees, including nearly 148,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors. The Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the European leader in consumer lending. BNP Paribas is rolling out its integrated retail-banking model in Mediterranean countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific.

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³ TNFD : Taskforce on Nature-related Financial Disclosures.