

COMPANY ENGAGEMENT AT BNP PARIBAS SECURITIES SERVICES

Sustainability and
our Key Stakeholders

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BNP PARIBAS

The bank
for a changing
world

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Redefining finance to accelerate sustainability



Florence Fontan

Head of Company Engagement
and General Secretary,
BNP Paribas Securities Services



I am delighted that we are publishing our first Company Engagement brochure for BNP Paribas Securities Services. For a large bank such as BNP Paribas, we have an important role to play in supporting the transition to a more sustainable future, whether this is creating products and solutions for our clients or supporting local communities and the most vulnerable in society during the Covid-19 pandemic. All of us – clients, employees, and local communities – have an important role to play.



01.


About Company Engagement and Sustainability at BNP Paribas



At its core, sustainability is about acting responsibly today to protect the future.

At BNP Paribas, sustainability covers our responsibilities towards society and the environment. This means that we look to maximise the positive potential impacts of our business whenever possible and reduce its potential negative impacts.

Our company purpose – published in January 2020 – captures this succinctly:

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

We have a dedicated department called Company Engagement that sets BNP Paribas' sustainability strategy. Company Engagement operates across the bank, and within various business lines, including Securities Services. Its remit includes setting a strategy for sustainable finance i.e. facilitating the development of the financial services products and solutions that our clients need in order to meet their sustainability goals.

This brochure gives an overview of the Company Engagement strategy for BNP Paribas Securities Services, including how that supports the Group strategy.

02.

BNP Paribas Group: Company Engagement strategy



The Group's commitment to sustainability means that the bank aligns its Company Engagement strategy with the 17 UN Sustainable Development Goals.

THE KEY WORK STREAMS OF THE STRATEGY ARE AS FOLLOWS:



CLIMATE CHANGE AND BIODIVERSITY

This includes financing the green economy, be it renewable energies, carbon offsetting (through our [ClimateSeed](#) carbon offsetting platform), or green bonds, to name but a few. It also includes our sector policies for example on deforestation and our exit of thermal coal.



YOUNG PEOPLE

In particular, we look to support young people from disadvantaged backgrounds. For example, we are a founding member of L'Ascenseur, a high-profile equal opportunity initiative which brings together over 20 non-profit, private and public organisations in support of young people and their education and career.



ENTREPRENEURS

This includes loans to microfinance institutions and social enterprises, and our co-investment in Social Impact Bonds. For example, AgriFed is a UN Women initiative supported by BNP Paribas, aiming to promote women and entrepreneurship. Through infrastructure and training, it will enable 15,000 female rice farmers and entrepreneurs to develop their [business](#).



LOCAL FOOTPRINT

We look to improve the urban, social and cultural environment in those places where we do business and have our operations. For example, we are a member of Business For Inclusive Growth (B4IG). B4IG is a G7 initiative led by French President Emmanuel Macron and overseen by the [OECD](#). Business members have pledged to tackle inequality and promote diversity in their workplaces and supply chains.

03

BNP Paribas Securities Services' Company Engagement strategy



Securities Services aims to be a trusted partner supporting sustainable and responsible finance. Our Company Engagement strategy outlined below brings this to life through our daily activities.

OUR COMPANY ENGAGEMENT STRATEGY:



04. Civil society and Covid-19



We cannot mention communities, without referring to the civil society and the Covid-19 pandemic. Our response to the pandemic, and how we help our local communities and colleagues, is how we will judge ourselves in years to come.

IN RESPONSE TO COVID-19, BNP PARIBAS COMMITTED TO THE FOLLOWING:



Over
EUR 50 MILLION
emergency
donations to many
hospitals worldwide
and to medical
research bodies
including the Pasteur
Institute



Over
EUR 50 MILLION
investments to
support **SMEs** and
the **healthcare**
sector



Assistance to the
most vulnerable:
donations to the
Red Cross, Doctors
without Borders, and
food banks among
other organisations



Support for
underprivileged
youth facing the
digital divide:
donations of
approximately
2,000 computers,
and digital keys



Participation in
solidarity funds

SECURITIES SERVICES HAS TAKEN ADDITIONAL SOLIDARITY STEPS INCLUDING:



Supporting vulnerable groups
through solidarity initiatives totalling
EUR 220,000, whether through meals
to healthcare staff, to donations to
food banks and hospitals



Supporting clients' Covid-19 funds

We have been providing services to a number of recovery funds including:

- **MAPFRE's Compromiso Sanitario Fondo inversión fund** - helping hospitals in Madrid to finance their Covid-19 response.
- **Fondo Italiano d'Investimento's minority growth fund** - supporting the growth of Italian small and medium-sized companies.
- **Mutuactivos's Mutuafondo Compromiso Social fund** - supporting the elderly during the Covid-19 crisis.
- **Bpifrance's Lac 1 fund** - taking strategic equity stakes in French companies.

05.

BNP Paribas Group's 2019 sustainability achievements



ECONOMIC RESPONSIBILITY:

EUR
180
BILLION

as at the end of 2019 in financing and investment to companies in sectors considered as **contributing** to the UN SDGs

SUSTAINABLE
DEVELOPMENT
GOALS

€1.9 BILLION

by year end 2019 in support of **social entrepreneurship**

SOCIAL RESPONSIBILITY:

Quality of our

INCLUSION and **DIVERSITY POLICY**

recognised by employees in internal survey

PROGRESS IN
GENDER EQUALITY

as part of our commitment to the UN HeForShe initiative.

The percentage of men in key HR positions has increased from **18%** to

28%

In **GLOBAL MARKETS** we have reached

GENDER PARITY in recruitment.

CIVIC RESPONSIBILITY:

450,000

SOLIDARITY HOURS

PERFORMED BY EMPLOYEES

(target of **ONE MILLION HOURS** by 2021)



30 YEARS

OF SUPPORT
TO MICROFINANCE:

CLOSE TO

2M

BENEFICIARIES

81%



ENVIRONMENTAL RESPONSIBILITY:

€15.9 BILLION



by year in support of **renewable energies**.

Decision to STOP FINANCING

companies related to **THERMAL COAL** by 2030 in European Union and OECD countries and 2040 for the rest of the world.



Actions in favour of

OCEAN PROTECTION

including pledge of **EUR 1 billion** to finance the ecological transition of ships by 2025

**STRONG MARKET POSITION
FOR GREEN PRODUCTS AND SERVICES:**

EUR 9.8 BILLION of green bonds as joint lead manager for our clients

EUR 63 BILLION of Socially Responsible Investment funds assets

managed by BNP Paribas Asset Management in 2019 (15% of assets managed)

06 ■

BNP Paribas Securities Services' 2019 sustainability achievements





Economic Responsibility

—

Signatory to the UN-supported Principles for Responsible Investment

—

Custodian solutions that support responsibility, including investment compliance, securities lending, debt solutions, proxy voting and class actions



Social Responsibility

—

Inclusion and diversity policy recognised by employees in internal survey

—

Ongoing participation in corporate volunteering, contributing to the Group's positive impact on society and the environment:

- 19.000 hours in 17 countries



Civic Responsibility

—

Securities Services for Education – a positive impact programme in support of climate change and education for young people:

- Two-year programme
 - +7000 beneficiaries in 11 countries
-

Launched **Securities Services for Disability** (to promote workplace inclusion in line with the Group's membership of the International Labour Organisation's (ILO) Global Business & Disability network:

- Four participating pilot countries (Singapore, India, France, China)

—

Positive impact initiatives in support of local economies. For example, we helped foster job opportunities by partnering with local companies (partnership in France with **Newcy**, a reusable cups solution provider) that support the inclusion of people with a disability in France



Environmental Responsibility

—

Contributed to financial innovation and the energy transition through [ClimateSeed](#), our carbon offsetting platform

—

Reduced the environmental impact of our operations:

- Reduction of 18% of Co2 emissions vs 2018
 - Reduction of 19% of paper vs 2018
-

Reduced single use plastic in our key designated offices by 50% on average

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