

BNP PARIBAS SINGAPORE

Servicing Clients and the World

BNP Paribas established its presence in Singapore in 1968. The bank offers products and services in corporate and institutional banking, wealth management, asset management and securities services. The bank employs more than 2,000 staff in Singapore, and serves as the regional hub for South East Asia. It is responsible for the branches or fully owned subsidiaries in Indonesia, Malaysia, Philippines, Thailand and Vietnam.

FULFILLING ITS MISSION AND PURPOSE

In leading sustainable finance, BNP Paribas defines its mission in its company purpose - "We are at the service of our clients and the world we live in." To fulfill this, the bank aims to foster a just transition to a Net-Zero economy in two aspects – energy transition and climate action; and natural capital and biodiversity.

Energy transition and climate change

From helping institutions make investments with a positive climate impact, to providing support to large corporate clients in capital-intensive energy transition projects, BNP Paribas supports a wide range of players, actions and innovations designed to support clean energy throughout supply chains, cut emissions to finance a net-zero economy by 2050.

To reduce carbon emissions, the bank will reduce by 12% its credit exposure to the upstream oil and gas industry, and reduce its credit exposure to the upstream oil industry by 25% by 2025. The bank has pledged to dedicate at least 200 billion euros to supporting large corporate clients' transition to a low carbon economy by 2025.

To date, the bank has 18.6b euros in financing in the renewable energy sector; 2.9m indirect beneficiaries of microcredits supported since 1989; and 4b euros in financing pledges for the protection of terrestrial and marine biodiversity.

Natural capital and biodiversity

Accompanying its clients in their ecological transition, the bank offers sustainable financial solutions, including sustainability-linked loans or green bonds. This helps clients achieve specific objectives in terms of protecting terrestrial and marine biodiversity.

Since 2020, BNP Paribas has committed to not finance any oil and gas exploration or production projects in the Arctic offshore or in the Arctic National Wildlife Refuge. It has also excluded any maritime oil exports from the Amazon Sacred Headwaters, in the Esmeraldas region of Ecuador from its trading activities and will only provide financial services to clients with a "Zero deforestation" strategy by 2025.

VALUE CHAIN COMMITMENTS

BNP Paribas works with clients on multiple fronts, from financing frameworks to establishing a Low Carbon Transition Group (LCTG), comprising sector experts within the bank.

To create a more inclusive and caring society, the company leverages all available sources to ensure an ethical value chain. It has dedicated 104m euros to the philanthropy budget, and promises 40% women members for the Executive Committee by 2025 as part of its commitment towards diversity, equity and inclusion, and 37% of women in the IT sector by the end of 2024. It has also dedicated 18m euros dedicated to climate research since 2010.

Protecting flora and fauna

To ensure that the bank's business activities do not lead to deforestation or forest degradation, BNP Paribas has thus endorsed the Zero Net Deforestation objective set up by the Soft Commodities Compact, a joint initiative overseen by the Consumer Goods Forum, and the Banking Environment Initiative, whose signatories aim to eliminate deforestation from the downstream and upstream supply chain no later than 2020. To support this, BNP Paribas expects clients to have internal policies that protect High Conservation Value Forests (HCVF) and prohibit any slash-and-burn technique.

Furthermore, relevant clients are expected to have internal policies that protect reservoirs of biodiversity such as High Conservation Values areas, Alliance for Zero Extinction sites, Ramsar Sites wetlands, IUCN Category IV areas and UNESCO World Heritage Sites.

The Group has also excluded companies that are involved in the production, trade or use of drift nets over 2.5 kilometres in length, and those involved in the trade of any plant or animal species or products governed by the Convention on International Trade in Endangered Species of Wild Fauna or Flora (CITES) not authorized by a CITES permit.

Maintaining quality and availability of water and air resources

To benefit from the Group's financial services, clients must have a water management plan with measures to minimize water use and monitor impacts on water availability for other users, particularly in water stressed areas, as well as measures to manage their effluents to minimize water pollution.

Additionally, clients in the agriculture and palm oil sectors must have a policy to prohibit the slash-and-burn technique, which

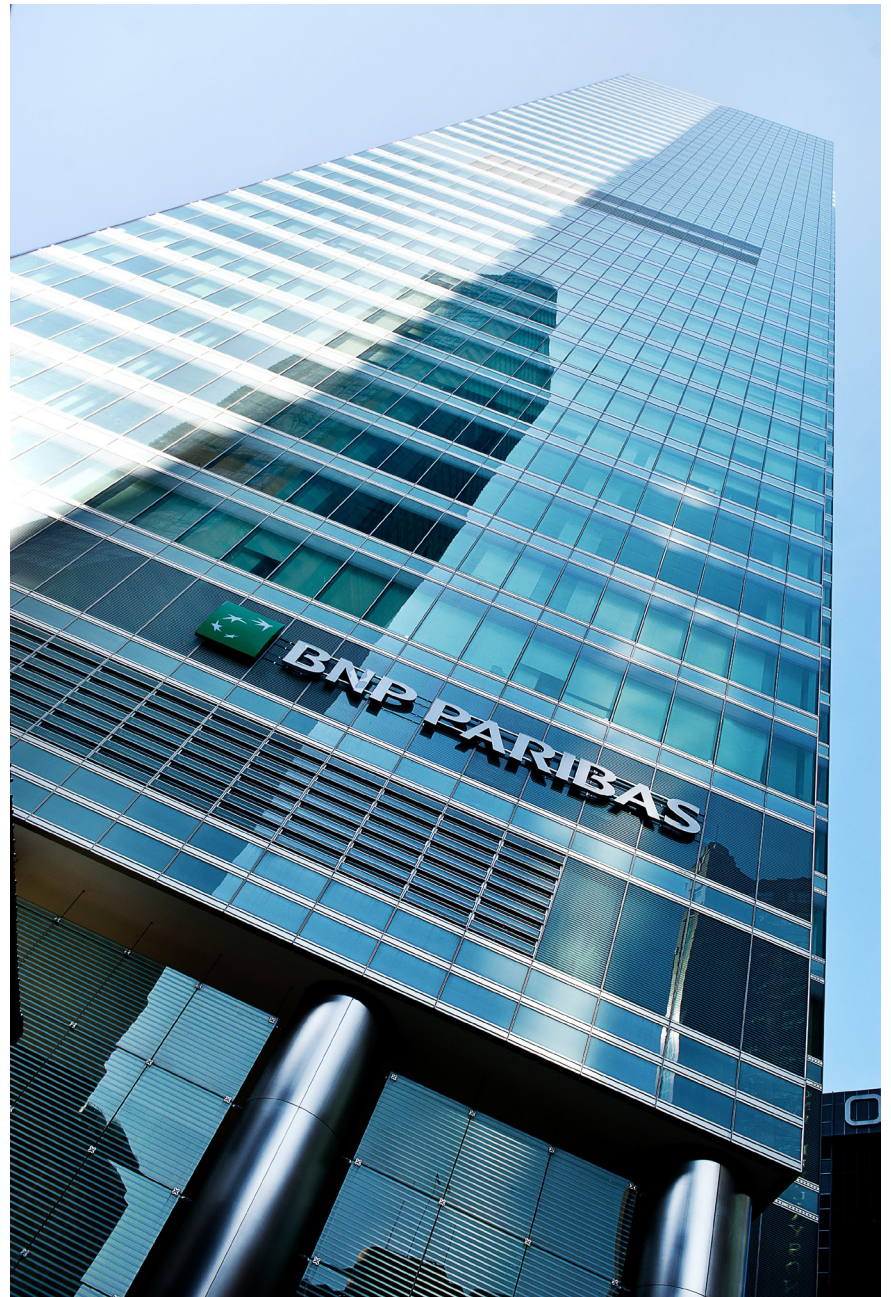
leads to significant haze that can invade inhabited areas, and to minimize the use of pesticides and fertilizers, which are also atmospheric pollutants. In the coal-fired power generation sector, projects must be located in countries with a legal framework covering atmospheric emissions and minimize sulphur dioxide (SO_x), nitrogen oxides (NO_x) and particulate matter (PM) in compliance with the WB/IFC Environmental Guidelines related to thermal power plants. In addition, companies in the sector are also expected to disclose or to be able to provide regular reports on emissions of SO_x, NO_x and PM.

Protecting natural resources and developing a circular economy

To prevent the Bank's business activities from leading to a scarcity of natural resources and to developing a circular economy wherever relevant, BNP Paribas has endorsed internal policies to reduce, reuse and recycle the offices supplies consumed in its premises on a large scale, with a specific focus on paper and IT equipment, including effective end-of-life solutions centred on reusing or recycling equipment whenever possible.

INITIATIVES IN SINGAPORE

One very successful initiative that has been launched in Singapore is the eXcite! programme. As part of eXcite, the company has built a thriving Design Thinking community, ran hackathons and launched an entrepreneurship programme in 2022. eXCite has contributed to its sustainability objectives - especially its APAC specific ones. Recently, the group ran a 60-Day challenge and tapped on its bankers to find solutions using the Design Thinking approach. The culmination of the 60-Day challenge resulted in a pitchbook and playbook for Bankers and Relationship Managers to engage clients in conversations around ESG transition and sustainability.



BNP Paribas sustainability strategy is aligned with the Singapore Green Plan and is supported with the close partnership it has with the Monetary Authority of Singapore in several key projects - Singapore Taxonomy, Setting up of the Singapore Green Finance Centre, and the pilot of the Sustainable Supply Chain Framework under the Green and Sustainable Loans Scheme.



BNP PARIBAS

The bank for a changing world

BNP PARIBAS
10 Collyer Quay, Singapore 049319
W: cib.bnpparibas