

BNP PARIBAS

A Leader in Financing the Sustainable Transition

In Asia Pacific, BNP Paribas is one of the best-positioned international financial institutions with an uninterrupted presence since 1860. Currently with over 20,000 employees and a presence in 13 markets, BNP Paribas provides corporates, institutional and private investors with product and service solutions tailored to their specific needs.

It 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.

Asia Pacific is a key strategic region for BNP Paribas and it continues to develop its franchise in the region. In Southeast Asia, BNP Paribas has core banking licenses in Indonesia, Malaysia, Singapore, Thailand and Vietnam. Singapore has been the Bank's hub for Southeast Asia since 1968.

FINANCIAL SERVICES ALIGNED WITH SUSTAINABILITY GOALS

BNP Paribas has a comprehensive sustainability strategy with clear and focussed priorities. The CSR strategy aligns with the 17 United Nations Sustainable Development Goals and aims to support clients in transitioning to a carbon-neutral economy. This strategy is part of BNP Paribas' GTS 2025 strategic plan, which integrates growth, technology, and sustainability. BNP Paribas adheres to the Principles for Responsible Banking (PRB) and Principles for Responsible Investment (PRI), ensuring that its financial activities align with sustainability goals.



An ESG Assessment tool is used to evaluate the ESG performance of clients as part of the credit process. This tool helps BNP Paribas understand clients' compliance with sectoral policies and the maturity of their ESG strategies.

A Low-Carbon Transition Group (LCTG) was formed in 2021, which includes over 200 specialised bankers focussed on supporting corporate clients in their decarbonisation efforts.

BNP Paribas decided to gradually align its loan portfolio with the objectives of the Paris Agreement. In 2021, the Group committed to setting intermediary alignment targets for the most carbon-intensive sectors. To date, it has published targets for six sectors - Oil and Gas, Power generation, Automotive, Steel, Aluminium and Cement. In 2024, the Group is setting portfolio alignment targets for three additional sectors: Aviation, Shipping, and Commercial Real Estate, while also disclosing its approach to the Residential Real Estate and Agriculture sectors.

FOSTERING A CULTURE OF SUSTAINABILITY

Launched at the end of 2022, BNP Paribas Sustainability Academy provides training to employees on sustainable finance topics. By the end of 2023, more than 86,000 employees had participated in at least one training session, fostering a culture of sustainability within the organisation. BNP Paribas Mobility also launched the "Mobility4you" platform, integrating carbon footprint assessments and promoting soft mobility.

FINANCING SUSTAINABLE PROJECTS

The bank has developed a wide range of sustainable finance products (including sustainable bonds, positive impact loans, sustainability-linked loans (SLL), and sus-

tainability-linked bonds (SLB) to support clients' transition to a low-carbon economy and promote sustainable development. In 2023, BNP Paribas issued a €750 million sustainability-linked bond for Heidelberg Materials, tied to specific CO₂ reduction targets. Another example is the \$1 billion loan to ReNew Power in India to finance a portfolio of wind and solar projects.

The group has been instrumental in financing projects like the Baltic Power offshore wind farm in Poland and AESC's gigafactory in France.

Through the Ecological Transition Capital investment line, the bank has invested in companies like CarbonWorks and Protix, and in funds like Shift4Good, aiming to accelerate the development of technologies that reduce carbon emissions and promote sustainability.

BNP Paribas has supported projects that promote the circular economy and sustainable mobility. It financed La Fonte Ardennoise's foundry sand regeneration project, reducing CO₂ emissions and saving natural resources. It supported Northvolt's gigafactory expansion in Europe to produce sustainable batteries.

In 2023, it led the world with USD 62.5 billion in ESG loans and bonds. The company's commitment to financing low-carbon energy projects resulted in a credit exposure of EUR 32 billion to low-carbon energy production by September 2023, with a target of reaching EUR 40 billion by 2028.

RESPONSIBLE BUSINESS PRACTICES ACROSS VALUE CHAINS

BNP Paribas has developed a Sustainable Sourcing Charter that outlines commitments for both the Group and its suppliers. This initiative is reinforced by the Group's achievement of the "Responsible Supplier Relations



and Procurement” label, awarded by French public authorities. Furthermore, the Group incorporates ESG (Environmental, Social, and Governance) considerations into its procurement processes by using ESG questionnaire templates to assess potential risks when entering into relationships with suppliers and subcontractors.

BNP Paribas also actively promotes diversity in its procurement practices. The Group collaborates with suppliers who employ vulnerable and disabled individuals, demonstrating its commitment to inclusive purchasing. By 2025, BNP Paribas aims to increase its inclusive purchases in France by 30%, further enhancing its social responsibility.

Moreover, the Group’s dedication to sustainability extends to its participation in the Ambition4Circularity platform. This platform unites the commitments of member companies of the Association française des entreprises privées (AFEP) to advance the principles of a circular economy, highlighting BNP Paribas’ broader commitment to sustainable and responsible business practices.

PARTNERSHIPS AND COLLABORATIONS

BNP Paribas Asset Management is a founding member of Nature Action 100, launched during the Montreal COP 15 on biodiversity. This initiative is the first global investor engagement effort aimed at encouraging key companies to take urgent and necessary measures to protect and restore nature and ecosystems.

The Group actively contributes to the Hydrogen Council, which comprises nearly 150 international companies committed to low-carbon hydrogen as a crucial resource for the decarbonising industry.

BNP Paribas is also part of the Low-Carbon Building Initiative (LCBI), which gathers major European real estate players to adopt common practices and standards for measuring the carbon footprint of buildings throughout their lifecycle and aims to reduce it by half.

On top of that, BNP Paribas has been involved in the initial design work and the development of the Taskforce on Nature-related Financial Disclosures (TNFD) framework. The final recommendations were published in 2023, providing a common language for better analysis, management, and communication of nature-related dependencies, impacts, risks, and opportunities.

In 2024, BNP Paribas partnered with Mistral AI to develop advanced data-driven solutions for sustainability, enhancing capabilities in customer support, sales, and IT. This collaboration enables BNP Paribas to improve its sustainability metrics tracking, to manage better and improve its environmental impact, and to better support the transition of its clients.

NOTEWORTHY SOCIAL AND ENVIRONMENTAL INITIATIVES

BNP Paribas subsidiary Nickel offers banking services to individuals who may

not have access to traditional banking. In 2023, Nickel reached nearly 3.7 million accounts, with a significant portion of these account holders having lower incomes or being unemployed.

In addition to these banking services, BNP Paribas has made significant strides in supporting entrepreneurs through its partnership with Adie. Since 1993, this partnership has enabled the support of nearly 40,000 entrepreneurs, providing over 47,000 microloans. This initiative is particularly focussed on underrepresented groups, including those without diplomas, young people under 30, and women.

Moreover, BNP Paribas is committed to impact entrepreneurship through its “Act For Impact” initiative, which supports businesses focussed on critical themes such as the circular economy, healthcare, child protection, professional integration, and equal opportunities.

ALIGNED WITH SG GREEN PLAN ROADMAP

BNP Paribas supports the broader implementation of Singapore’s sustainability objectives. It collaborates with various stakeholders, including government agencies, private sector partners, and non-governmental organisations, to drive sustainability initiatives that are consistent with the SG Green Plan. This collaboration helps ensure that the bank’s activities are in line with national sustainability priorities and contribute to the overall goals of the SG Green Plan.

BNP Paribas has received “Best Bank for Sustainable Finance” by Euromoney for three consecutive years. The bank has also been recognised in the Forest500 ranking by the NGO Global Canopy for its commitments to combat deforestation.