

# NATIXIS

## At the Forefront of Sustainable Finance and Climate Impact Management

Natixis Corporate and Investment Banking (CIB) is a leading global financial institution with a strong presence in close to 30 countries. Operating within the Global and Financial Services division of Groupe BPCE, the second-largest banking group in France, it offers a comprehensive suite of services including advisory, investment banking, financing, corporate banking, and capital market services to corporations, financial institutions, financial sponsors, and sovereign and supranational organisations. This includes green and sustainable products and services.

Natixis CIB has a dedicated Green and Sustainable Hub (GSH), established in 2016, to guide its transition and that of its clients towards sustainability.

### GREEN WEIGHTING FACTOR

Natixis CIB was one of the first banks to measure the climate impact of its banking portfolio and to commit to aligning its balance sheet to well below 2°C, in line with the Paris Agreement. To accurately track and steer the climate impact of its activities, the GSH developed the Green Weighting Factor (GWF) in 2017. The GWF is an internal climate-oriented tool that assigns a rating at the project/asset or general-purpose level. The rating is based on a seven-colour scale (ranging from dark brown to dark green) and is applied to the risk-weighted asset of each transaction. This system essentially incentivises green financing and penalises negative climate impacts. Since its rollout, the GWF has evolved from an innovative, operational, deal-by-deal decision-making tool to an effective transition steering mechanism.

### Content Creation and Research

Content creation and research are key differentiators of the GSH, which has established the Centre of Expertise and Innovation. This involves analysing sustainability needs and emerging trends in sustainable finance markets (such as transition plan assessment, climate change adaptation, strategic autonomy, and nature), monitoring and assessing advancements in sustainable finance regulations and taxonomy development across the European Union, the Americas, Asia-Pacific, the Middle East, and Africa, and developing methodologies to help clients incorporate sustainability into capital

deployment (e.g., SDG alignment) and impact reporting.

### Monitoring Sustainable Finance Regulations Worldwide

Since 2022, the GSH has developed dedicated tools for monitoring sustainable finance regulatory developments (including Taxonomy, CSRD, EU GBS, SFDR), primarily in the EU but also in other regions such as the UK, Americas, and Asia-Pacific. The aim of this regulatory intelligence is to help clients understand the objectives of regulators and the resulting risks, opportunities, and challenges.

### Investor Insights and Solutions

The GSH has a dedicated sub-team focussed on the distribution of green and sustainable products and solutions, as well as building up-to-date market intelligence on sustainability-driven investor demand. This market intelligence includes developing qualitative overviews of investors' sustainability considerations (ESG profiles), creating

an in-house methodology to rank investors based on ESG credentials (ESG scoring), analysing ESG credential characteristics (e.g., SFDR), and providing bond fund overviews. The team also conducts surveys and interviews with market participants, such as the 2024 survey on the inclusion of biodiversity in investment criteria and interviews regarding the coal exclusion list.

On the thematic side, the GSH focusses on developing innovative investment solutions for climate, water, and biodiversity (thematic equity indices or baskets). It has also created unique instruments such as equity-linked green notes and green fixed-income structured notes.

### Leadership in Sustainable Finance: Guiding Best Practices Across Sectors

Natixis CIB's GSH Team is also actively involved in market initiatives and standard-setting. It engages in market-led initiatives to provide guidance and best practices to both the public and private sectors. This includes participating in discussions as



well as co-chairing and developing guidance materials. Natixis CIB is a member of the ICMA Principles Executive Committee for the fourth consecutive year and has co-chaired and co-authored the Transition Finance Handbook and the Sustainability-Linked Bond Principles, including their most recent updates. Additionally, Natixis CIB is part of the Singapore Sustainable Finance Association, supporting the Natural Capital and Biodiversity Workstream, and co-chairs the APLMA Green & Sustainable Lending Committee and the Impact Disclosure Taskforce.

## RECOGNITIONS AND ACHIEVEMENTS

In 2023, Natixis CIB participated in 78 thematic transactions. The bank received several prestigious awards, including Investment Bank of the Year 2023 by Environmental Finance; Investment Bank of the Year for Sustainability-Linked Loans and Private Equity Derivatives by The Banker; the IJGlobal ESG Awards 2023 for ESG Infrastructure & Energy Bank; and the International Financing Review (IFR) Awards 2023 for ESG Insight. These accolades confirm Natixis CIB's strong position in the market and its support for new developments and innovations.

## NATIXIS CIB'S COMPREHENSIVE REGIONAL SUPPORT AND EXPERTISE IN APAC

Natixis CIB offers corporate and financial institution clients in Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, Taiwan, and Thailand tailored financing and capital markets solutions, as well as access to global financial markets. It also supports the development of Natixis CIB's European and international clients in the region.

The bank has a dedicated GSH APAC Team based in Singapore and Hong Kong, providing specialised expertise to its regional clients. At the core of Natixis CIB's



operations are environmental, social, and technological transitions. Helping clients in their transitions is paramount, and the bank has stringent rules and strong advisory capabilities. Every aspect is considered: the carbon impact of each loan, the environmental impact, the social impact, and the governance impact.

### Energy Transition in APAC

Energy transition has become a central topic in the Asia-Pacific region, with significant investments expected in the coming decades. The region heavily relies on coal and oil & gas and has one of the fastest-growing energy demands. This presents a clear challenge for countries in the region to address their transition strategies, but it also offers a great opportunity. To decarbonise energy systems, USD 5 trillion per year will be needed up to 2030. This will bring opportunities in electrification, data centres, semiconductors, renewable energy, green hydrogen, new low-carbon technologies, and sustainable finance, which can be a powerful ally in mobilising the much-needed capital.

Regulators play a crucial role in this ongoing transition. APAC regulators are actively designing the appropriate legal frameworks to facilitate this shift, including new ESG disclosure requirements and robust green and transition taxonomies. Hong Kong, Singapore, Japan, and Australia are among the countries putting these measures in place to support economic players in this journey.

Financial institutions play a crucial role in supporting this transition. Natixis CIB aids its clients in their transition by offering innovative solutions, investment products, and advisory services. This includes engaging with all types of energy providers (oil & gas, power and renewables, metal & mining, and new energies such as hydrogen) as well as all sectors that need to transition. Investing will be critical to deploying and enhancing the physical infrastructure assets required for this transition. Natixis CIB is well-positioned to support its clients on this journey through its recognised expertise in these key sectors and its in-depth sustainable finance structuring capabilities, with recent deals closed with Air France, Repsol, EdgeConnex, and Fosun Pharma.