



**Contributing to a
more sustainable
and inclusive
economy**

**2022
CSR report**




**BGL
BNP PARIBAS**

The bank for a changing world



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OUR COMMITMENTS

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"As the European Union's leading bank, we have a responsibility to help our clients make the transition towards a more sustainable and inclusive economy. We are determined and committed at every level to battle against climate change by stepping up our efforts in order to limit global warming to 1.5 °C by 2050.

Our strategy to achieve this is based on aligning our loan portfolio with a net-zero trajectory, limiting the climate risk of our activities and supporting our clients in their transition to a low-carbon economy.

Working towards a more sustainable economy is no longer optional, but an urgent imperative."

Béatrice Belorgey

Chairwoman of the BGL BNP Paribas Executive Committee
Head of entities of the BNP Paribas Group in Luxembourg

BNP PARIBAS, A RECOGNISED LEADER IN ENERGY TRANSITION FINANCING

BNP Paribas has already made a major pivot towards low-carbon energy financing:

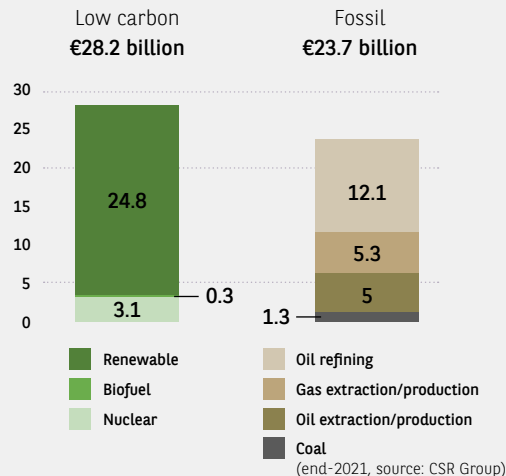
- 1. Outstandings on BNP Paribas loans for low-carbon electricity generation:** over €28 billion at end-September 2022, which is already almost 20% higher than the figure for fossil fuel electricity generation.
- 2. The global leader in green bond structuring and investment in 2022:** for the equivalent of \$19.5 billion.
- 3. A clear trajectory towards exiting oil:** BNP Paribas has not financed oil projects since 2016 and is committed to reducing loan outstandings on oil extraction and production by 25% by 2025.
- 4. Well on the way towards an exit from coal,** which is set to be achieved across the OECD by 2030.

Having honed its expertise through the **Low-Carbon Transition Group**, BNP Paribas embarked on a new phase and adopted ambitious new goals in January 2023:

- Reach a target of **€40 billion in outstandings on loans to finance low-carbon electricity generation, primarily from renewable sources**, by 2030.
- Reduce outstandings on loans to finance oil extraction and production to under €1 billion by 2030, **representing an 80% decrease versus current outstandings of €5 billion.**
- Stop granting loans to finance **the development of new oil or gas fields**, regardless of loan structure.

When this new phase ends in 2030, the BNP Paribas Group will have achieved 80% of the way towards transitioning its financing business to low-carbon energy production.

Loans to finance energy production by origin:



Data: loan outstandings in billions of euro as at 30 September 2022. Energy categorised according to International Energy Agency definitions.

Low-Carbon Transition Group

In late 2021, the Group created a powerful tool to support companies' energy transition. Since 2022, the Low-Carbon Transition Group has helped to accelerate the process of reorienting the BNP Paribas loan portfolio away from fossil fuels and towards renewable energy.

AMBITIOUS SECTOR-SPECIFIC COMMITMENTS

In its first [Climate Analytics and Alignment Report](#), published in 2022, the Group presented its targets for reducing the greenhouse gas emission intensities linked to its credit activities, in three of the sectors with the highest emissions.

OIL AND GAS

-80%

reduction in financing
for oil exploration-
production by 2025

POWER GENERATION

>66%

share of renewable
energy by 2025

AUTOMOTIVE

>25%

share of electric vehicles in
the financed automotive mix
by 2025

-30%

for gas by 2030

< 5%

share of coal in the financed
energy mix by 2025

In its [Climate Report](#) published in 2023, BNP Paribas set out CO₂ emission intensity reduction targets for 2030 for three new sectors:

STEEL -25% (vs 2022)

ALUMINIUM -10% (vs 2022)

CEMENT -24% (vs 2021)

Net-Zero Banking Alliance

By joining the Net-Zero Banking Alliance (NZBA) in 2021, BNP Paribas made a commitment to align its credit portfolio with the trajectory required to finance a carbon-neutral economy in 2050.

[Find out more](#)

COMMITMENTS BEYOND THE ENERGY TRANSITION

Five key themes



**SAVINGS,
INVESTMENTS
AND SUSTAINABLE
FINANCE**



**CIRCULAR
ECONOMY**



**ENERGY
TRANSITION**



SOCIAL INCLUSION



**NATURAL CAPITAL
AND BIODIVERSITY**

Dashboard for the BNP Paribas Group's CSR policy

PILLAR	INDICATOR	2022 RESULT	2025 TARGET
Our economic responsibility	1. Sustainable credit amount	€87 billion	€150 billion
	2. Sustainable bond amount	€32 billion	€200 billion
	3. Assets under management of open-ended funds distributed in Europe Articles 8 and 9 of the SFDR	€223 billion	€300 billion
Our social responsibility	4. Percentage of women in senior management positions	35.2%	40%
	5. Hours staff spent volunteering (1MillionHours2Help)	1,126,142 hours in 2021 and 2022	1 million hours over a rolling two-year period
	6. Percentage of staff who have attended at least four training sessions over the year	97.4%	90%
Our civic responsibility	7. Number of beneficiaries of products and services fostering financial inclusion	3.3 million beneficiaries	6 million beneficiaries
Our environmental responsibility	8. Amount of support to help our clients transition to a low-carbon economy	€44 billion	€200 billion
	9. Amount of financing for companies that help to protect terrestrial and marine biodiversity	€1.8 billion	€4 billion
	10. Greenhouse gas emissions in tCO ₂ e per FTE (buildings and professional travel)	1.65 tCO ₂ e/FTE	1.85 tCO ₂ e/FTE

BGL BNP PARIBAS' FOUR PRIORITIES

The five key themes break down into four specific priorities for BGL BNP Paribas

Companies' sustainable transition

Companies have a crucial role to play in the transition to a more sustainable economy and future. We help them accelerate this transition with a series of targeted measures.

Individuals' responsible investments

Saving and investing responsibly means choosing investment vehicles that provide financial support to companies that are working on concrete solutions to address ecological and social challenges or, at the very least, those that take environmental, social and governance (ESG) criteria into account.

Sustainable housing and transport

Buildings and transport present significant opportunities for decarbonisation. We are supporting this approach through innovations in our range of products and services.

Social inclusion

We are working hard to combat inequality and promote an inclusive society.



CSR team

Marie Stella, Marie Delhaye,
Pierre Herquin, Zohra Quali, Marie-Eve Bouvier,
Catherine Wurth (Head of CSR)

"Our 2025 Growth, Technology & Sustainability (GTS) Plan places CSR at the heart of our strategy."

YVES NOSBUSCH

Member of the BGL BNP Paribas
Executive Committee
Head of Communications,
CSR & Strategy



STRICT **MANAGEMENT** OF OUR ACTIVITIES

BGL BNP Paribas supports the economy in an ethical and sustainable manner, and has set itself strict rules for investment and financing activities in sensitive sectors through its **sector-specific policies**.

We comply with **internationally recognised standards on human rights** as defined in the International Bill of Human Rights, which includes the United Nations' Universal Declaration of Human Rights.

↪ *Find out more*

We do not wish to finance or invest in companies **that do not meet our criteria** with regard to human rights and the environment.

Before excluding companies, we always try to engage in dialogue **to encourage them to change their practices**.



MONITORING THE CLIMATE RISK OF OUR ACTIVITIES

BNP Paribas Group defines climate change and its consequences as risk factors.

On that basis, we have sought to develop a climate resilience testing infrastructure covering scenarios, data, models and methodologies for transition risk and physical risk, which are the two main forms of climate risk.

The Group does not consider climate-related risks as risks per se but as risk factors impacting traditional categories of risk such as credit risk, operating risk and market risk.

Our actions in 2022

- participating in the climate risk stress test organised by the European Central Bank (ECB)
- integrating analysis of climate risk scenarios and resilience tests into the BGL BNP Paribas internal capital adequacy assessment (ICAAP) process
- analysing climate-related risks in models of physical risks to property
- collecting and integrating ESG data into our IT systems such as the Energy Performance Certificate (EPC) for financed and mortgaged properties in order to monitor physical and transition risks
- participating in European Banking Authority (EBA) reporting as part of pillar 3 on ESG risk

Physical risk: the risk of flooding

As a learning exercise, we used our mortgage portfolio to analyse the risk of properties flooding. The analysis, carried out in 2022, covered the residential property portfolio in terms of the number of properties and the credit exposure amount.

The risks of river floods were forecast for 2030, 2050 and 2080. The model implemented uses the World Resources Institute (WRI)'s geolocation of properties, probabilities curve and inundation depth, and the European Commission's inundation depth and associated damage curves. The climate scenarios used are those of the Intergovernmental Panel on Climate Change (IPCC) (RCP scenarios 4.5 and 8.5).

This initial analysis shows that, according to the RCP 8.5 scenario forecasting the most significant global warming, around 7% of the BGL BNP Paribas portfolio's mortgage holdings (for which a location was available) would present a risk of annual damage above 1% of their value by 2050, based on the model.

Transition risk: ESG Assessments

Part of the credit risk assessment system, ESG Assessments are a useful way to understand the ESG profile of corporate counterparties. This standardised approach allows us to determine our clients' level of maturity on ESG themes and to support them in their energy transition.

RECOGNITION FOR OUR EFFORTS

The table below shows the latest assessments of the main non-financial rating agencies, and BNP Paribas's inclusion in the related non-financial indices. In 2022, the Group maintained or improved its performance in nearly all areas, reflected in general scores well above the average for the banking sector.

RATING AGENCY	RATING (YEAR OF LAST RATING)	RATING (PREVIOUS YEAR)	RELATED INDICES/COMMENTS
FTSE Russell	4.4/5 (2022)	4.4/5 (2021)	FTSE4Good Global Index Series
ISS (ESG Corporate Rating)	C+ (2022)	C+ (2021)	Prime ("best-in-class" status)
MSCI (ESG Rating)	AA (2022)	AA (2021)	-
Standard & Poor's (Corporate Sustainability Assessment)	84/100 (2022)	82/100 (2021)	DJSI World – DJSI Europe
Sustainalytics (ESG Risk Rating)	Medium risk – 25.4/40(1) (Nov. 2022)	Medium risk – 25.6/40 (Nov. 2021)	STOXX Global ESG Leaders
Moody's ESG Solutions (ESG Profile)	71/100 (2022) top European bank in the ranking	71/100 (2021)	Euronext-Vigeo Eiris: World 120, Europe 120 and France 20
EcoVadis	72/100	72/100	Top 4% of the rating universe



BGL BNP Paribas has been awarded the INDR's ESR (socially responsible company) label since 2011



BGL BNP Paribas was ranked first in Luxembourg in the ESG/Sustainable Investing category in the Euromoney Private Banking and Wealth Management Survey 2022. This award reflects the bank's longstanding commitment to integrating responsible funds into the investment portfolios it offers to its clients.



BNP Paribas received the award for "net zero progression of the year in Europe, the Middle East and Africa (EMEA)" from the magazine Environmental Finance



BNP Paribas was recognised as Europe's top bank in 2022 for combatting climate change and protecting biodiversity by British NGO ShareAction

2

SUPPORTING OUR **CORPORATE** **CLIENTS**

- ▶ **HONING SKILLS: TRAINING FOR OUR
RELATIONSHIP MANAGERS**
- ▶ **HELPING TO FINANCE
THE SUSTAINABLE TRANSITION**
- ▶ **OFFERING INNOVATIVE FINANCING SOLUTIONS:
IMPACT FINANCING**
- ▶ **OFFERING NEW TOOLS: SUSTAINABILITY MEMOS**
- ▶ **SUPPORTING FINANCIAL INCLUSION FOR
MICRO-ENTREPRENEURS WITH MICROLUX**

HONING **SKILLS**: TRAINING FOR OUR RELATIONSHIP MANAGERS

In Luxembourg, 65% of company directors are familiar with the concept of CSR and 71% plan to implement a CSR strategy in future (source: INDR, UEL and IMS 2022).

To ensure staff are ready to help businesses take this step, we have introduced a training plan running until 2025 to teach every team member about sustainable finance.

Thematic workshops on sustainable finance and development have been organised each quarter for account managers who work with corporate clients. These cover specific topics such as sustainable transport and subsidies linked to the energy transition.



A specific desk for government subsidies

The Corporate Banking division has also expanded its expertise as regards knowledge of, and support with, the various forms of government subsidies available to companies, with a focus on the new energy transition assistance schemes.

52%

Of Corporate Banking relationship managers have completed the **Sustainability Essentials for Business** training module prepared by the Institute for Sustainability Leadership at the University of Cambridge.

A total of 230 bank staff members have received this training.

HELPING TO FINANCE THE SUSTAINABLE TRANSITION

BNP Paribas Group targets

INDICATOR	2022 RESULT	2025 TARGET
Sustainable credit amount	€87 billion	€150 billion
Sustainable bond amount	€32 billion	€200 billion
Amount of support to help our clients transition to a low-carbon economy	€44 billion	€200 billion

BGL BNP Paribas is financing the transition to a more sustainable and inclusive economy in Luxembourg: specific examples



HELPING OUR CLIENTS IN THE TRANSPORT SECTOR WITH THE ENERGY TRANSITION

To accelerate the transition to electric modes of transport, BGL BNP Paribas and its subsidiary Lease Group Luxembourg have contributed to the financing via leasing of 15 new electric buses for a Luxembourg coach company, thereby supporting its goal of achieving total electrification by 2030. The bank has also financed the installation of over 3,000 m² of solar panels and rainwater harvesting tanks for over 80,000 litres of water used to supply bus wash systems.



SUPPORTING AFFORDABLE HOUSING

To help address the issue of accommodation in Luxembourg, we have built up expertise in financing affordable homes and co-financing such projects alongside the Ministry of Housing. Since 2016, we have contributed to the construction of 359 affordable homes.



FINANCING SUSTAINABLE AGRICULTURE

Agriculture plays a major role in the environmental transition and in achieving greenhouse gas emission reduction targets.

As well as financing the energy transition, the bank is supporting the transition away from conventional farming and towards organic practices. For example, in 2022, we financed the transformation of a pig farm and offered guidance to the farmer at every stage of this far-reaching project.

OFFERING INNOVATIVE FINANCING SOLUTIONS: IMPACT FINANCING

BGL BNP Paribas has launched an impact financing solution to encourage companies with the sustainable transition process.

→ Find out more

This new product is a loan where the interest rate is tied to the achievement of clearly defined ESG objectives. This offer aims to support and encourage companies in developing their CSR strategy and in their energy transition.

These objectives can be measured in two ways depending on the company's level of CSR maturity:

1 NON-FINANCIAL RATING THROUGH OUR PARTNERSHIP WITH **ECOVADIS**, WHICH HAS ASSESSED OVER 90,000 COMPANIES OVER THE PAST 15 YEARS, 70% OF WHICH WERE SMES 

→ Find out more

2 SELECTION OF TWO TO FIVE ESG INDICATORS, SUCH AS CHANGES IN THE COMPANY'S CO₂ EMISSIONS, WORKPLACE SECURITY OR DIVERSITY

ecovadis



Global assessment platform for corporate ESG performance.



An assessment tailored to the company's business sector, country and size.



Methodology based on international ESG repositories.

21 ESG criteria covered across four themes: Environment, Labour & Human Rights, Ethics, Sustainable Procurement



Simple, reliable and comparable scores that serve as a basis for dialogue on the relevant improvements while also recognising and evaluating current performance

"Impact financing moves us closer to two goals: financing companies' investment needs and helping them adopt best practices regarding sustainable transition."

ANNE-SOPHIE DUFRESNE
Member of BGL BNP Paribas
Executive Committee
Director of Corporate Banking



OFFERING **NEW TOOLS:** SUSTAINABILITY MEMOS

Many companies are receiving transition support from BGL BNP Paribas. We recently introduced a new tool, called the Sustainability Memo, to provide clients with analysis of their activities and sectors.

Sustainability Memos

Our ESG experts help corporate clients analyse **their ESG maturity** and identify areas in which a support in their sustainable transition journey would be valuable. *Sustainability Memos* are designed **to identify key sustainable development challenges** for the company in relation to its sector, activity and size. It compares the company's ESG maturity with that of its local and international competitors and summarises **best practices in the sector**. The analysis also includes an estimate of the **impact on the client in terms of risks and regulations**. For example, the sector may be subject to high transition risks or the business may fall within the scope of the *Corporate Sustainability Reporting Directive* (CSRD).



SUPPORTING FINANCIAL INCLUSION FOR MICRO-ENTREPRENEURS

BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Number of beneficiaries of products and services fostering financial inclusion	3.3 million beneficiaries	6 million beneficiaries

BGL BNP Paribas is a founding member of microlux, the leading microfinance institution in Luxembourg.

The aim behind microlux is to foster financial and social inclusion by providing support and granting microloans to people wishing to launch or develop an economic activity and unable to access traditional bank loans. Since it was founded in 2016, microlux has assisted **200 entrepreneurs**, providing support in the form of personalised coaching, training, e-learning and project diagnostics. microlux has also contributed to the creation of **280** permanent jobs.

40%

OF THE ENTREPRENEURS SUPPORTED BY
MICROLUX ARE WOMEN, COMPARED WITH
THE NATIONAL AVERAGE OF JUST 24%

43

MICROLOANS GRANTED
IN 2022 TOTTALLING
€609,900

84%

OF MICRO-
ENTREPRENEURS
WOULD RECOMMEND
MICROLUX*



3

SUPPORTING OUR RETAIL CLIENTS

- ▶ OFFERING SKILLS: TRAINING FOR OUR ADVISERS
- ▶ OFFERING RESPONSIBLE INVESTMENT SOLUTIONS
- ▶ WORKING TO FOSTER MARINE BIODIVERSITY
- ▶ SUPPORTING ENERGY RETROFITTING
- ▶ ENCOURAGING SUSTAINABLE TRANSPORT
- ▶ OFFERING SOLUTIONS TO REDUCE THE CARBON FOOTPRINT OF DAY-TO-DAY BANKING
- ▶ USING INNOVATION TO SUPPORT YOUNG PEOPLE

OFFERING **SKILLS:** TRAINING FOR OUR ADVISERS

We have introduced a training plan running until 2025 to teach every team member about sustainable finance.

Energy retrofitting

Internal and external experts have trained all relationship managers and mortgage advisers on:

- the various stages of an energy retrofit
- government aid with the energy transition
- new regulations and their implications in order to collect energy performance certificates

Responsible investing

All relationship managers and advisers have been trained on:

- BGL BNP Paribas' responsible investing solutions
- the new ESG regulations (SFDR, MiFID II and IDD)

We have also introduced [Climate Fresk](#) workshops to raise awareness among our staff about the causes and consequences of climate change. Team members can choose to **follow a training course to become Climate Fresk animators and lead workshops themselves.**



1,065

employees took part in CSR training in 2022, on themes such as sustainable transport, energy retrofitting and responsible investing.

All new employees receive mandatory CSR training

573

days were dedicated to CSR training in 2022, representing a **124% rise** versus 2021.

OFFERING RESPONSIBLE INVESTMENT SOLUTIONS

BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Assets under management of open-ended funds distributed in Europe Articles - 8 and 9 of the SFDR	€223 billion	€300 billion

Examples of products in our investment fund range (branch network)



Since March 2021, the range of themed funds we offer to clients in our branch network has been made up exclusively of funds categorised under Article 8 or 9 of the Sustainable Finance Disclosure Regulation (SFDR).

- BNPP Aqua (Article 9): investing in the protection of the oceans and better water management
- BNPP Climate Impact (Article 9): investing in companies seeking solutions to the problems caused by global warming.
- Generalpart 1 World Sustainable (Article 8): an international, flexible and responsible mutual fund.

Labels received for our discretionary management (private banking)



Luxembourg Finance Labelling Agency: LuxFLAG ESG Discretionary Mandate (ESGDM)

In January 2023, BGL BNP Paribas was awarded the LuxFLAG ESG Discretionary Mandate (ESGDM) label for:

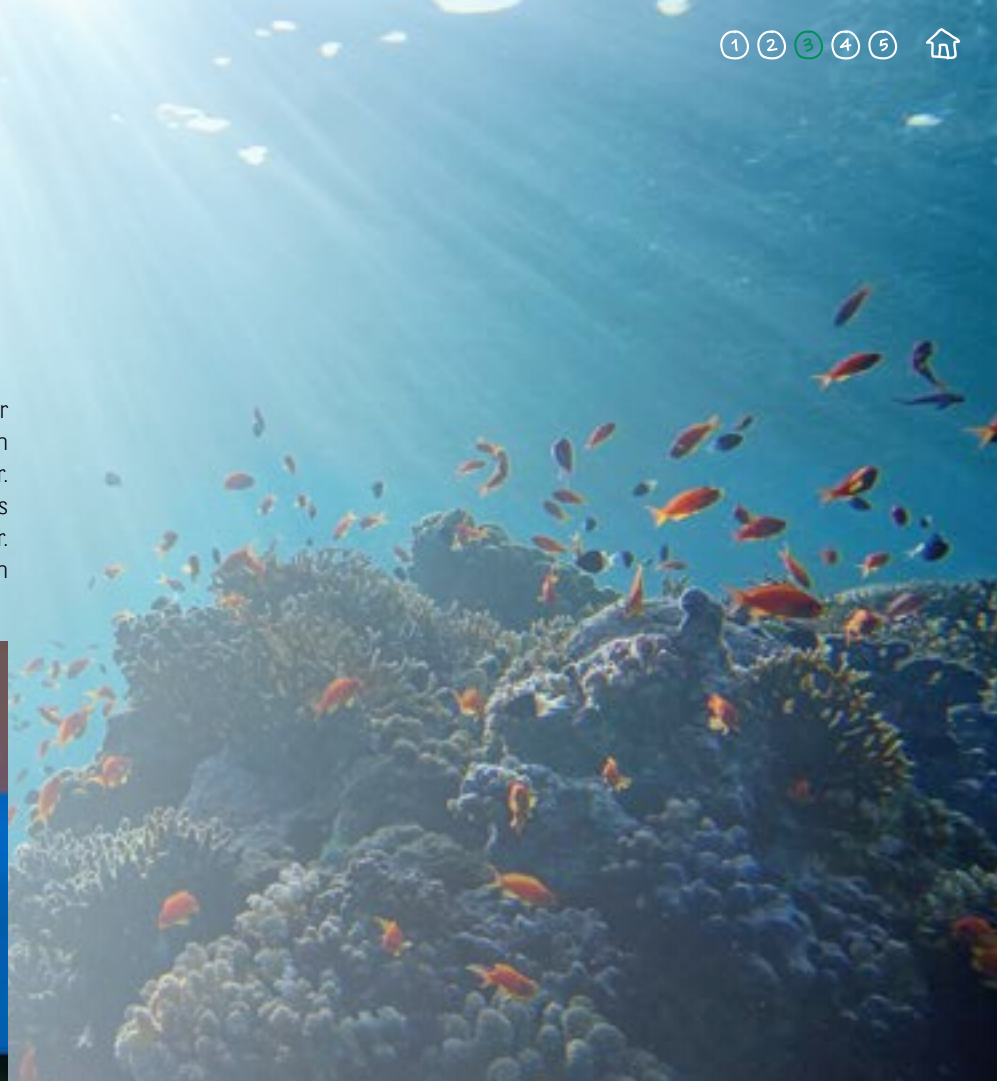
- Responsible Investment Mandate – Balanced Strategy
- Responsible Investment Mandate – Conservative Strategy
- Responsible Investment Mandate – Dynamic Strategy

→ Find out more

WORKING TO FOSTER MARINE BIODIVERSITY

Active support for the Tara Ocean Foundation

Following the conference we organised with Romain Troublé, Managing Director of the Tara Ocean Foundation, and Philippe Joubert, Founder and CEO of Earth on Board, we have launched an investment campaign focused on the water sector. Our clients have had the opportunity to invest (via investment funds) in companies working to protect the oceans, marine biodiversity and access to drinking water. 50% of the purchase price, totalling €50,000, has been donated to the Tara Ocean Foundation.



SUPPORTING ENERGY RETROFITTING

BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Sustainable credit amount	€87 billion	€150 billion

On average, housing accounts for 23% of a Luxembourg resident's carbon emissions. Most of the environmental impact of a home is linked to heating and electricity use. 59% of people carrying out or planning a renovation believe that their bank is justified in offering services linked to energy retrofitting (source: 2022 BNP Paribas Group study).

Helping our clients with their energy retrofit is one of our strategic priorities. In May 2022, we launched a new service to simplify the process. This new solution includes everything from energy diagnostics and technical advice to preferential lending terms. Customers are also accompanied to obtain the government subsidies available to them.

↪ Find out more



Actif, our partner for certified energy advice

↪ Find out more

SUPPORT AT EVERY STAGE:

Any client considering an energy retrofit can contact our mortgage advisers to discuss the details of their project and possible financing solutions, and to be put in contact with our energy consultancy partner.

↪ [Carrying out renovation work: what does that mean?](#)

↪ [Five good reasons to use an energy advisor](#)

"We have launched a partnership with Actif, a certified energy advisor. Through this partnership, we help our clients make contact with a specialist offering energy diagnostics and support with the energy retrofitting of their property."

MELANIE WOLFSTELLER
Strategic Change Tribe Lead
– Credit



ENCOURAGING SUSTAINABLE TRANSPORT

We help our clients access sustainable transport through a comprehensive range of solutions.

→ Find out more

The **green mobility loan** is a personal loan designed to finance the purchase with a favourable interest rate of an electric car and the installation of a charging point.

The **Private Lease** range allows retail clients who prefer leasing to access electric or hybrid vehicles.

In addition to financing, we work with our partner diego to help our clients to:

- install a charging point
- obtain a free token to charge their vehicle at European charging points
- prepare an application for government subsidies

diego[®] mobility

→ Find out more

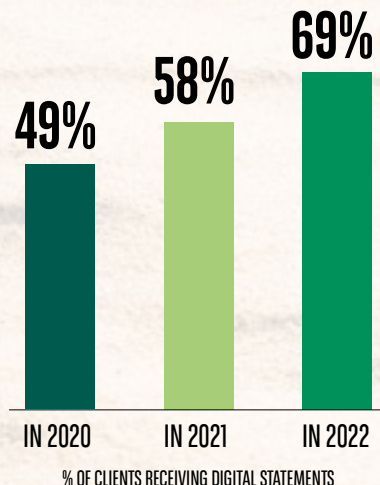


OFFERING SOLUTIONS TO **REDUCE THE CARBON FOOTPRINT** OF DAY-TO-DAY BANKING

Reducing our clients' carbon footprint is a key part of helping them with their energy transition. To that end, we have introduced a number of measures, such as encouraging the adoption of paperless communications, digitising the client pathway and developing sustainable payment cards.

Digitisation for our clients

Digitisation was a priority in 2022. Our results are encouraging: 69% of retail clients aged between 18 and 65 now receive their account statements via Web Banking and no paper version is sent.



Developing a more environmentally friendly card range

Since September 2022, all new and replacement Mastercard cards are produced using 80% PLA. PLA is manufactured from polylactic acid. This is a more environmentally friendly and sustainable material produced using non-food corn (replacing PVC).

USING INNOVATION TO SUPPORT YOUNG PEOPLE

We have launched a fully digital pathway for the AideFi student loan. This is a financial aid introduced by the government to enable students who meet certain criteria to freely pursue higher education. It comprises four grant instalments and a student loan.

↪ [Find out more](#)

This **innovative and fully digital solution** is part of the bank's ongoing efforts to help the younger generations with their plans for the future, while also paying particular attention to social inclusion. The loan can be accessed via a QR code issued by the Ministry of Higher Education and Research.



4

ADAPTING OUR ACTIVITIES TO CONTRIBUTE TO A MORE SUSTAINABLE AND INCLUSIVE WORLD

- ▶ WORKING TO FOSTER DIVERSITY AND INCLUSION
- ▶ CARING FOR OUR EMPLOYEES' WELL-BEING AND HEALTH AND SAFETY AT WORK ON A DAILY BASIS
- ▶ SUPPORTING SOCIAL INCLUSION
- ▶ OUR EMPLOYEES TAKE ACTION
- ▶ REDUCING OUR ENERGY CONSUMPTION
- ▶ PLACING A STRONG EMPHASIS ON ESG CRITERIA WHEN SELECTING SUPPLIERS

WORKING TO FOSTER DIVERSITY AND INCLUSION

BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Percentage of women in senior management positions	35.2%	40%

BGL BNP Paribas has set itself the goal of strengthening its culture of inclusion by combatting all forms of discrimination and fostering diversity.

Our recruitment procedures include strict measures to combat discrimination, whether based on candidates' gender, background or sexual orientation. Checks are carried out on a regular basis to ensure these anti-discrimination measures are being properly followed.

Our diversity policy prioritises equality of opportunity for people of both sexes.

We're working tirelessly to improve the gender balance on our management teams by setting diversity ratios in our promotion processes. Over time, this will improve the percentage of women in senior management positions.

We support the development of internal networks to foster diversity and inclusion:

- MixCity is an internal equal opportunities network with over 200 members
- Ascent helps staff members under 35, as well as those who have been at the company for less than three years, to integrate

IN 2022

38.6%

of senior managers are women **vs 37.4%** in 2021

CARING FOR OUR EMPLOYEES' WELL-BEING AND HEALTH AND SAFETY AT WORK ON A DAILY BASIS



We Care is an internal health and safety and well-being at work programme. Its main aim is to prevent psychosocial risks. It is built around three pillars: Measurement – Awareness – Support.

Raising awareness of psychosocial risks

All managers have completed a six-hour training course given by an occupational health practitioner on safeguarding their well-being and that of their team.

Supporting staff members in distress

A counselling service is available to members of staff who are going through tough times. In 2022, 52 BGL BNP Paribas employees chose to talk through their problems and receive advice from the counselling service, helping them to keep their job despite difficult personal circumstances.

Creating an environment that favours work/life balance

To create such an environment, we have introduced:

- flexible office hours (flexitime)
- telework
- satellite offices on the French border in 2022 and Belgian border during 2023
- the option to buy or donate leave

"We regularly take steps to raise awareness and reduce situations involving psychosocial risk at our company."

FABIENNE DASNOY
HR Social Responsibility



SUPPORTING SOCIAL INCLUSION

OneStepForward

Supported by BGL BNP Paribas, OneStepForward aims to integrate student refugees enrolled at the University of Luxembourg into the working world. The programme bridges the gap between the BNP Paribas Group, refugees and those who have been granted international protection status. Staff members can get involved in the programme as mentors, offering advice and support to foster professional integration.

→ Find out more

In 2022

40

BNP Paribas Group employees volunteered as mentors

48

refugees registered as mentees

80%

of refugees mentees have found a job since the launch of the programme

EPI Foundation

In 2022, BGL BNP Paribas helped the EPI Foundation organise talks for young people aged 18 to 25 to improve labour market integration. The aim of the Foundation is to train young people on how to prepare for job interviews, write cover letters and use office tools.

→ Find out more


"Landing an internship or job is one of the main challenges refugee students face when they arrive. We're proud to support them through the OneStepForward programme. We're also delighted to have received support from the Grameen Creative Lab in 2021 and 2022 to enhance our societal impact."

JIMMY CORNEILLE
Founder of OneStepForward



OUR EMPLOYEES TAKE ACTION

BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Hours staff spent volunteering (1MillionHours2Help)	 1,126,142 hours in 2021 and 2022	1 million hours over a rolling two-year period



Through the **1MillionHours2Help** programme, every employee can spend one day per year supporting local charities with projects that contribute to a more sustainable and inclusive world. Our employees take action individually or collectively, for causes such as:

- social inclusion and ecology in partnership with the Our nature reserve or SINGA Luxembourg
- waste collection in parks in cooperation with the Luxembourg City authorities

 [Find out more](#)

HELP2HELP

The objective of the **Help 2 Help** programme is to support projects led by current and retired employees of the BNP Paribas Group in Luxembourg, who volunteer for charities involved in education, health, the environment and humanitarian aid.

In 2022, 21 charitable projects received €52,100 in financing.



The projects supported by **Hope** are chosen by staff members themselves and financed through a monthly payment of €1.

Since its launch in 2015, **Hope** has received over €150,000 in donations to support 35 charitable projects around the world.

Meanwhile, initiatives have been introduced, for example to raise awareness through the special Solidarity edition of the “meet our experts” conference organised in 2022.

 [Find out more](#)

“1MH2H offers staff members an opportunity to get involved in environmental and social causes and have a more positive and sustainable impact.

In 2022, 23 charities benefitted from 944 hours of volunteering by 195 of our employees.”

MARTHE SCHARFE
Head of the 1MH2H programme



REDUCING OUR ENERGY CONSUMPTION

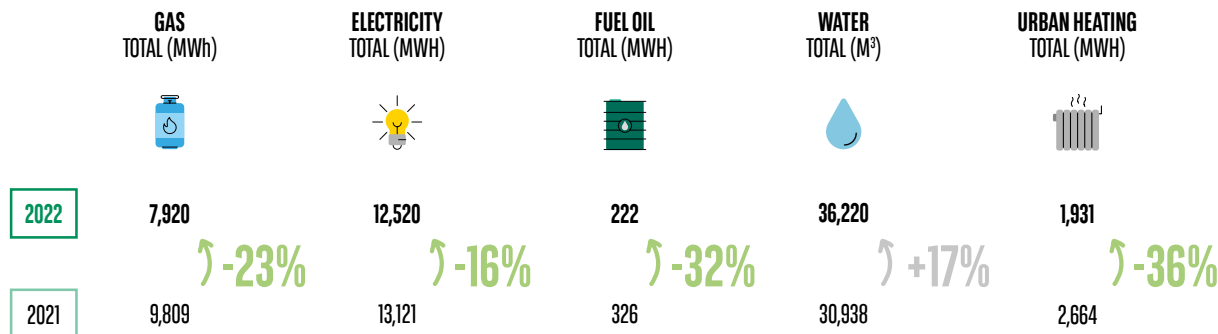
BNP Paribas Group target

INDICATOR	2022 RESULT	2025 TARGET
Greenhouse gas emissions in tCO ₂ e per FTE (buildings and professional travel)	 1.65 tCO ₂ e/FTE	1.85 tCO ₂ e/FTE

In January 2022, we received **ISO 50001** certification for our Kirchberg Campus buildings. This standard certifies companies that have introduced an energy management system (EMS) to lower their energy consumption and spending, and thereby reduce their carbon footprint.

The methodology and tools developed during the ISO 50001 certification process, the various measures taken in this regard, and the company-wide response to the energy crisis allowed us to cut consumption significantly in 2022. Only our water consumption increased, due to lower on-site attendance in 2021 during the COVID-19 pandemic.

 Find out more



"The teams at BGL BNP Paribas are proud to have obtained this certification. It encourages us to continue our efforts in terms of energy efficiency and environmental protection."

MICHEL RAUSCH
Head of Architecture,
Techniques and Environment



PLACING A STRONG EMPHASIS ON ESG CRITERIA WHEN SELECTING SUPPLIERS

We verify that our suppliers are committed to respecting the **environment**, **human rights**, **labour rights** and **business ethics**.

BGL BNP Paribas's sourcing policy systematically factors environmental, social and governance criteria into supplier selection. We expect our partners to share our ambition.

The sourcing policy has two aims:



1.

ENSURE THAT OUR SOURCING IS SUSTAINABLE



2.

ENCOURAGE OUR SUPPLIERS TO ADOPT MORE RESPONSIBLE PRACTICES

IN 2022,

84%

OUR OF KEY SUPPLIERS HAVE ALREADY
SIGNED OUR CSRGROUP CHARTER

→ Find out more

"As of now, we're rolling out sustainable finance on a large scale at the level of procurement by factoring CSR criteria into the supplier selection process."

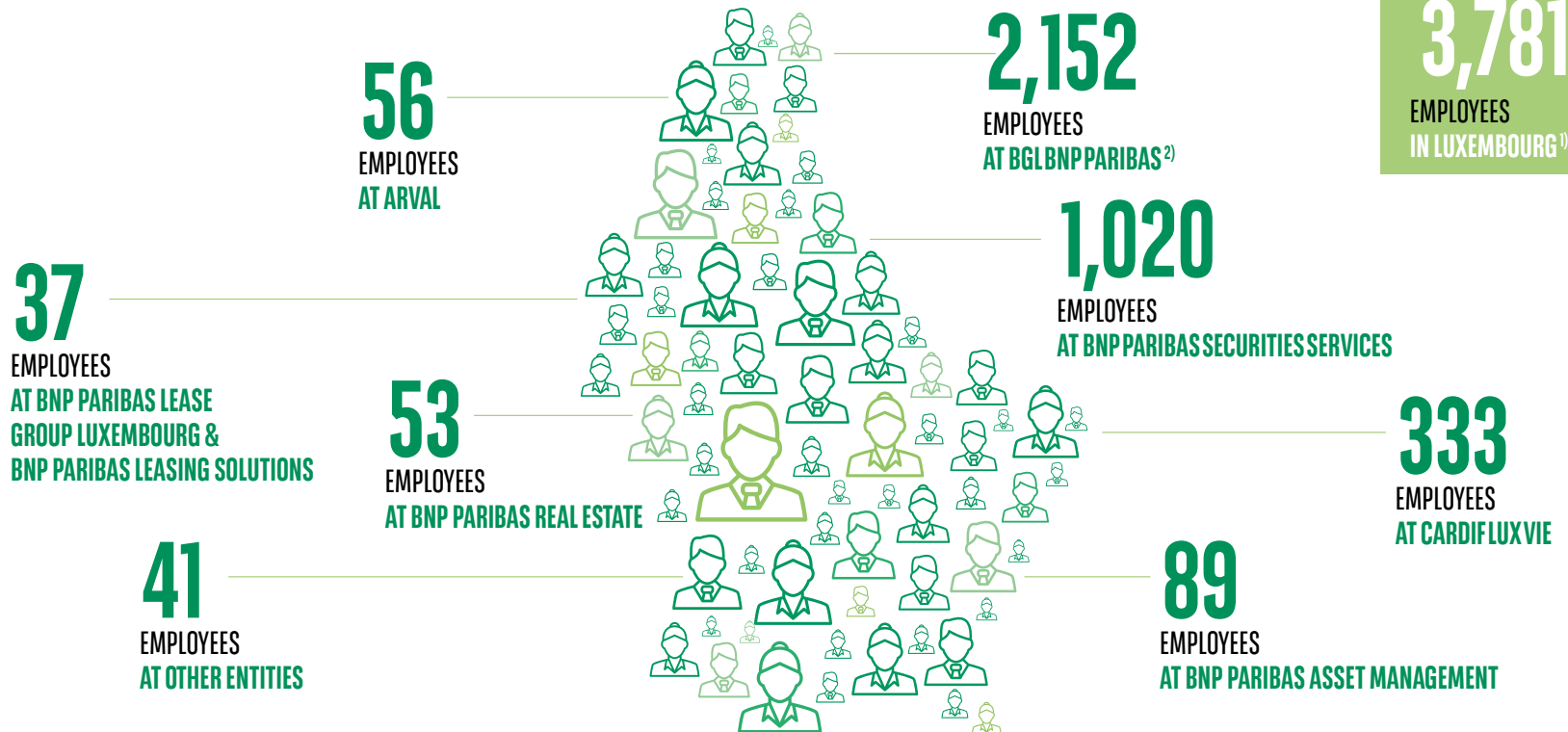
KATIA GAUTIER
Chief Sourcing Officer
Luxembourg



5

ENTITIES COMMITTED TO SUSTAINABLE FINANCE

- ▶ BNP PARIBAS S.A., LUXEMBOURG BRANCH, SECURITIES SERVICES BUSINESS
- ▶ CARDIF LUX VIE
- ▶ BNP PARIBAS ASSET MANAGEMENT
- ▶ ARVAL LUXEMBOURG
- ▶ BNP PARIBAS LEASE GROUP LUXEMBOURG AND BNP PARIBAS LEASING SOLUTIONS
- ▶ BNP PARIBAS REAL ESTATE INVESTMENT MANAGEMENT



¹⁾ Staff numbers for BNP Paribas in Luxembourg as of 31 December 2022. Employees on unpaid leave, parental leave, early retirement and long-term absence are not included in these figures.

²⁾ Retail Banking, Corporate Banking, Private Banking Luxembourg, Wealth Management, Corporate & Institutional Banking.

BNP PARIBAS S.A., LUXEMBOURG BRANCH, SECURITIES SERVICES BUSINESS

AS a custodian bank, Securities Services is one of the premiere Luxembourg providers in the fund industry. Our goal is to support our clients in their ESG development and serve them as best as possible so that they may achieve their goals.

We are working on new ESG solutions to help our clients:

- option to generate European ESG Template (EET) reports using the official data exchange model (FinDaTexdata) required by European regulations such as the SFDR on our Manaos platform
- launch of a new contractual solution to verify Investment Compliance (CIC) with supervision of new ESG criteria for assets in the portfolio

There are three core components to our commitment:

EMPLOYEE
COMMITMENT

SUPPORTING
OUR CLIENTS'
COMMITMENTS

COMMITMENT TO
SOCIETY

COMMITMENTS
AT THE COMPANY
AND WITHIN OUR
PROCEDURES

↪ Find out more

"We endeavour to support our clients in their sustainable investment strategies while integrating ESG criteria into our own services and products, with the goal of accelerating the transition to a low-carbon economy. Employee training is also part of this: learn, understand, act!"

ROBERT VAN KERKHOFF

Managing Director,
BNP Paribas S.A.,
Luxembourg Branch



CARDIF LUX VIE

We have included ESG criteria in investment decisions for the General Fund since 2008. In practice, this means that as well as considering the BNP Paribas Group's sectoral exclusions, it systematically analyses all of the portfolio's underlying assets through ESG screening.

Our ESG responsibility is comprised of three commitments



Developing positive impact investments as part of our selection of financial assets for the General Fund



Taking carbon emissions into account for financial assets in order to encourage companies to implement a low-carbon transition in their business model



Combining ESG analysis and shareholder engagement in all investment strategies and processes

Our OptiPension+ and MyPension+ policies were awarded the “**LuxFLAG ESG Insurance Product**” certification in 2022. This makes them Luxembourg's first 100% socially responsible investment pension insurance policies (under Article 111bis of the LIR).

↪ Find out more

BNP PARIBAS ASSET MANAGEMENT

The overarching BNP Paribas Asset Management Sustainability strategy, launched in 2019, details the way in which ESG issues are included in our investment strategies. This strategy is based on integrating ESG factors into management, voting and engagement policies with the companies in which we invest, analysing the responsible behaviour of companies in our investment universe and our long-term vision based on the three aspects of the global economic model that will ensure sustainability, which we call the “Three Es”: the energy transition, protecting the environment, and equality and inclusive growth.



Nature Action 100, launched in 2022: an engagement initiative designed to encourage investors to act quickly regarding risks and dependency on nature for the companies they hold



ESG Champions:

Creation of an ESG Champions community for investment teams and the Global Client Group teams. ESG Champions have specific goals related to sustainability, including external ESG certification and monthly meetings, becoming first-line actors on responsible investment in their teams



Our sustainable finance objectives:

- continuing our efforts in research and development of investment solutions with robust non-financial approaches
- helping our clients navigate the world in transition

↪ Find out more

ARVAL LUXEMBOURG

Arval is pursuing its path as a responsible company with continuous improvement as part of the Arval Beyond strategic plan.

Economic pillar

Our economic commitment for 2022 was to offer our clients a full line of solutions to support them as they implement their own energy transitions.

This is why we launched the “6-wheel” offer in April 2022, through which clients can rent a bicycle when they lease a vehicle.

This offer was created to respond to our clients’ new travel habits and provide an alternative mobility option.

Environmental pillar

In 2021, Arval pledged to plant 10,000 trees in Luxembourg, symbolising the achievement of 10,000 vehicles. This promise was upheld in 2022, with three projects set up in Tarchamps, Knaphoscheid and Munshausen.

Arval Luxembourg also decided to partake in the international Arval project promoting biodiversity and protection of forests: “1 electric vehicle = 1 tree”, which means planting one tree for each electrified vehicle leased (electric and hybrid).

→ Find out more



BNP PARIBAS LEASING SOLUTIONS

BNP Paribas Leasing Solutions has made significant progress in strengthening its efforts for sustainable development in 2022. A Chief Sustainability Officer (CSO) was appointed to the Executive Committee.

The goal of BNP Paribas Leasing Solutions is to promote and accelerate the circular economy on its markets, particularly through development of the “Product As A Service” model. This approach allows clients access to professional equipment as needed, then the materials are recycled at end-of-life so that they can be remanufactured and reused, limiting waste. The company also continued to support its partners and clients in their energy transitions.

BNP Paribas Leasing Solutions remains committed to its responsible practices, demonstrated by the renewal of its ISO14001 environmental certification in France, initially awarded in 2019. These efforts reflect its commitment to sustainability and demonstrate its continued efforts to positively contribute to the environment and society as a whole.

 [Find out more](#)

BNP PARIBAS REAL ESTATE INVESTMENT MANAGEMENT

In 2022, we offered several workshops and training programmes to raise awareness on ESG issues:

1. Team building based on biodiversity
2. Workshop on ESG for all employees
3. "Lunch & Learn" sessions to raise awareness on social and environmental issues among employees

Integrating ESG is one of the five main pillars of the BNP Paribas Real Estate Investment Management business.

- in 2025, BNPP REIM expects that 90% of funds open to investors will comply with Article 8 and Article 9 of the Sustainable Finance Disclosure Regulation (SFDR)
- a campaign to collect data on the energy consumption of our assets began in 2021 and continued in 2022 in collaboration with our partner Deepki
- five of our funds participated in the GRESB campaign (the Global Real Estate Sustainability Benchmark), which is the global standard for measuring and comparing funds' ESG performance

↪ Find out more

FOLLOW US



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