

# BNP PARIBAS

## GREEN BOND ISSUANCE

Fixed Income Presentation

November 2019



**BNP PARIBAS**

The bank for a changing world

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# BNP PARIBAS GREEN BOND ISSUANCE

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- **CSR Policy at the Heart of BNP Paribas**
- BNP Paribas Green Bond Framework
- Green Bond Proposed Transaction

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Appendix



# TONE AT THE TOP: AN AMBITIOUS POLICY OF ENGAGEMENT IN OUR SOCIETY

BNP Paribas created a Company Engagement department in September 2017, which lays on 2 ambitions:

- Strengthening its excellence in all topics related to CSR
- Responding to major issues facing society



Entrepreneurs



Future Generation



Local Ecosystems



Energy Transition



Coordination between the Board and the Metiers to develop commercial offers linked to the transversal matters of society (in line with the United Nations Sustainable Development Goals (SDGs))

Joint commitment from BNP Paribas, BBVA, ING, Société Générale and Standard Chartered to adapt a combined lending portfolio of over €2.4tn to the Paris Agreement on Climate Change

- Open letter to the global leaders at the COP24 in Katowice
- Commitment to finance and design financial services needed to support clients as they transition to a low carbon economy



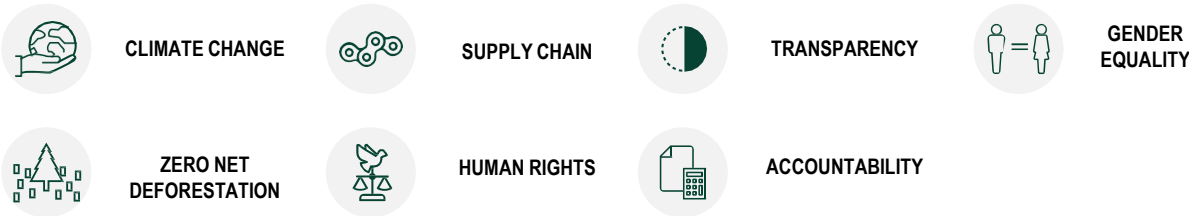
COP24 KATOWICE 2018  
UNITED NATIONS CLIMATE CHANGE CONFERENCE



# BNP PARIBAS FOLLOWS THE BEST SUSTAINABILITY PRACTICES AND HIGHEST ETHICAL STANDARDS

In particular, the bank is actively participating in the following international coalitions and initiatives:

## KEY SUSTAINABILITY FOCUS AREAS



## ROBUST CSR SECTOR POLICIES

(e.g. Agriculture, Coal-fired power generation, Defence, Mining, Nuclear, Palm Oil, Wood Pulp, tobacco\* and Unconventional Oil & Gas) + [Position Paper on Ocean](#)



1. Roundtable on Sustainable Palm Oil 2. Institutional Investors Group on Climate Change; \*exclusion policy for companies which have a majority of their activity dedicated to tobacco.

# KEY HIGHLIGHTS

- **€168bn as of end 2018 vs. 155 as of end 2017**, in financings to support energy transition and sectors considered as directly contributing to SDGs
- **USD 9.7bn of sustainable bonds\*** for which BNP Paribas was joint lead manager for its clients, since January 2019;
- Allocation of €15.6 bn to renewable energies exceeding the €15 bn euro target set to 2020
- **Carbon neutrality as of end 2017 for BNP Paribas' operational scope**
- **End of financing and investment activities for tobacco industry companies**
- **End of financing** of companies & infrastructures whose main activities **are linked to shale gas and/or shale oil and/or oil sands**, as well as projects dedicated to the exploration and production of oil and gas in the Arctic region
- Signature of the Tobacco-Free Finance Pledge, collaboration between health and financial sectors, governments and civil society to accelerate progress towards a tobacco-free future



\*BNP Paribas's apportioned amount of the placements -



# THE CSR POLICY: THE GROUP'S COMMITMENTS



## The economy

Financing the economy in an ethical manner

—  
Investments and financing with a positive impact

—  
Ethics of the highest standard

—  
Systematic integration and management of environmental, social, and governance risks



## Our people

Developing and engaging our people responsibly

—  
Promotion of diversity and inclusion in the workplace

—  
A good place to work and responsible employment management

—  
A learning company supporting dynamic career management



## The community

Being a positive agent for change

—  
Products and services that are widely accessible

—  
Combat social exclusion and support human rights

—  
Corporate philanthropy policy focused on the arts, solidarity and the environment



## The environment

Combating climate change

—  
Partnering with our clients in the transition to a low carbon economy

—  
Reduce the environmental impact of our operations

—  
Advance awareness and sharing of best environmental practices



# PURSuing AN ACTIVE CONTRIBUTION TO THE ACHIEVEMENT OF THE UN SUSTAINABLE DEVELOPMENT GOALS

## ECONOMIC RESPONSIBILITY

Financing the economy in an ethical way

Investments and financing with a positive impact



Systematic integration and management of environmental, social and governmental risks



Ethics of the highest standards



## SOCIAL RESPONSIBILITY

Promoting employees development and commitment

Promotion of diversity and inclusion in the workplace



A good place to work and responsible employment management



A learning company supporting dynamic career management



## CIVIC RESPONSIBILITY

Serving as a bank committed to improving society

Products and services that are widely accessible



Combat social exclusion and support human rights



Corporate philanthropy policy focused on the arts, solidarity and the environment



## ENVIRONMENTAL RESPONSIBILITY

Taking action to combat climate change

Partnering with our clients in the transition to a low-carbon economy



Reduce the environmental impact of our operations



Advance awareness and sharing of best environmental practices





# BNP PARIBAS COMMITMENTS AND ACHIEVEMENTS ON SUSTAINABILITY

BNP Paribas has a series of pledges to sustainability, and in particular to the energy transition

## WE ARE COMMITTED TO

CONTRIBUTE TO THE



international commitments

APPLY A

**ZERO-NET**

**DEFORESTATION  
POLICY**

through our financing decisions

INVEST

**€100M**



in energy efficiency and  
cleantech start-ups by 2020

CONTINUE TO INTEGRATE A

**STRINGENT**

**ESG** RISK  
MANAGEMENT

INCORPORATE

financing and investment policies in **9 sectors**:  
agriculture, palm oil, defence, nuclear energy, paper pulp, coal  
energy, mining, tobacco and unconventional oil & gas.

## SOME OF OUR ACHIEVEMENTS

WE HAVE A SHARE  
OF AT LEAST

**15 %**

of our corporate loans  
to companies  
contributing strictly to  
the achievements  
of the UNSDGs

We wanted to more than **double**  
**our financing** to the Renewable  
Energy sector from €6.9 billion in  
2014 to €15 billion by 2020

**€15.6 bn as of end 2018**

We became **carbon**  
**neutral** by the end  
of 2017

in terms of the CO2  
emissions arising from its  
own operations.

Contribute to **microfinance**  
and **social business** with

**€ 1.6 bn** invested and  
358,000 beneficiaries today



# EXTERNAL RECOGNITION OF BNP CSR COMMITMENTS AND ACHIEVEMENTS

As of end 2018, BNP Paribas had around €168bn dedicated to Sustainable Finance\*



“

We're determined to live up to our role as a responsible bank by supporting companies and countries that are committed to sustainability.

Jean-Laurent Bonnafé  
CEO BNP Paribas



“

We are now transforming our business processes so as to ensure that CSR criteria, including environmental care, human rights, diversity and gender equality, are properly taken into account in all our lending decisions and our wider business policies.

Antoine Sire  
Director of BNP Paribas Company Engagement department

## STRONG EXTRA-FINANCING RATINGS



No.1 bank for Europe in the sector of “diversified banks” according to Vigeo’s 2018 rating with an overall score of 70/100



No. 22 / 344 companies in the banking sector (79/100)



Rated A- in the Carbon Disclosure Project 2017



“A” score in MSCI ESG Ratings 2017



No. 2 / 250 banks in the “Commercial Banks & Capital Markets” sector (C Prime) in 2018



Top 20% of the sector “Banks” in RobecoSAM’s 2018 rating (among 27 out of 201 banks listed in the DJSI World universe, as of September 2018)

## OTHER SUSTAINABLE AWARDS AND RANKINGS



**Most innovative Investment Bank:**  
- Of the Year  
- For Climate Change and Sustainability  
- From Western Europe  
- For Bonds



Lead manager of the Year, green bonds – sovereign – corporate



Lead manager of the Year, sustainability bonds – bank



Award for innovation – bond structure



FI that has made a significant contribution to sustainability



‘World’s Best Bank for Sustainable Finance 2018’



‘World’s Best Bank for Corporate Responsibility 2019’

### Corporate Knights

BNP Paribas is the 1<sup>st</sup> European and French bank and 3<sup>rd</sup> bank worldwide in the ‘Global 100 Most Sustainable Corporations’ ranking 2019



**MOST INNOVATIVE INVESTMENT BANK FOR CLIMATE CHANGE AND SUSTAINABILITY**



‘Best CSR Banking Group Europe 2017’

\* Increasing from around €155bn at end of 2017

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Appendix



# ASSETS IDENTIFICATION: A ROBUST AND TRANSPARENT SELECTION OF PROCESS

ELIGIBILITY CRITERIA

SELECTION

### 1<sup>st</sup> level of filter: Overarching BNP Paribas internal policies

*KYC, Global and Specific Credit Risk policies, Framework for managing ESG Risk*

### 2<sup>nd</sup> level of filter: Eligible Sectors and Countries

*Assets on Renewable Energies, Energy Efficiency, Green Buildings, Transportation, Water Management and Water Treatment, Pollution Prevention and Control; in countries with relevant ILO conventions ratified*

### 3<sup>rd</sup> level of filter: Features of the Loans

*Non-committed transactions, loans on watch list and assets pledged to other green financing programmes are excluded*

### HIGH SENSITIVITY SECTORS HAVE BEEN EXCLUDED:

Defence and Security,  
Palm oil, Wood pulp,  
Nuclear power generation,  
Coal-fired power  
generation, unconventional  
Oil & Gas, Mining industry  
and Tobacco

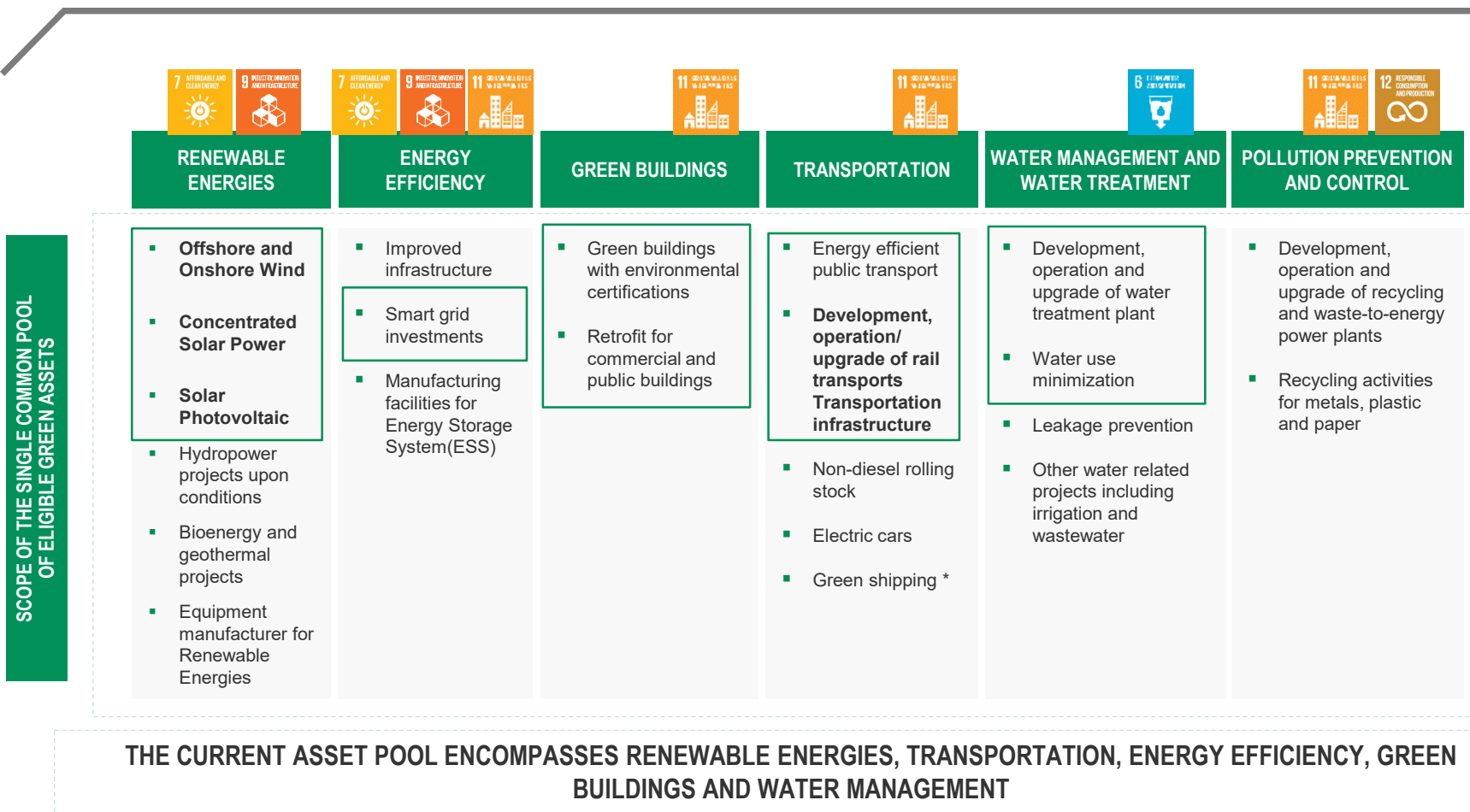
EXTERNAL REVIEW

		NEW ASSETS TO BE ADDED IN THE SINGLE COMMON POOL OF ELIGIBLE GREEN ASSETS	
		NEW GREEN BOND ISSUANCE	DURING THE LIFE OF THE GREEN BOND
ELIGIBLE SECTORS	Already reviewed*	Independent review by a second party opinion provider	Verification by external independent auditors in the annual reporting
	To be reviewed		Independent review by a second party opinion provider and verification by external independent auditors

\* As of today: Wind (onshore and offshore), PV Solar, CSP, Clean Transportation, Green Buildings, Smart Energy and Water management projects



# FOCUS ON ELIGIBLE SECTORS IN LINE WITH THE GREEN BOND PRINCIPLES



 Single common pool of Eligible Green Assets

\* Scrubbers are explicitly excluded as well as ships transporting fossil fuels



# GREEN BOND GOVERNANCE

## DEDICATED GREEN BOND COMMITTEE

<b>ROLE</b>	<ul style="list-style-type: none"><li>▪ Review and validate the pool of Eligible Green Assets</li><li>▪ Validate the annual reporting and related documents; review the appropriate external independent auditors' report and address any issues arising; and</li><li>▪ Monitor on-going evolution of the Green Bond market practices</li></ul>
<b>MEMBERS</b>	<ul style="list-style-type: none"><li>▪ Committee chaired by the Head of Corporate Social Responsibility for BNP Paribas</li><li>▪ Current members departments: Relevant business lines; Corporate Social Responsibility teams; Asset and Liability Management Treasury teams; Sustainable Capital Markets;</li></ul>
<b>FREQUENCY</b>	<ul style="list-style-type: none"><li>▪ Semi-annually as long as the Green Bonds are outstanding</li><li>▪ In 2019, the Green Bond Committee met in May and in October</li></ul>
<b>DECISION RULES</b>	<ul style="list-style-type: none"><li>▪ In its role of Chairman of the Green Bond Committee, the Head of Corporate Social Responsibility for BNP Paribas will have the final decision on the selection of the Eligible Green Assets</li></ul>

## MANAGEMENT OF THE PROCEEDS

- Single common pool of Eligible Green Assets for all Green Bond issues of BNP Paribas
- Monitoring the net proceeds' use via BNP Paribas' internal information systems
- Best effort to substitute any redeemed loans once an appropriate substitution option will have been identified
- Balance of net proceeds not yet allocated will be invested in cash and/or cash equivalent and/or other liquid marketable instruments



# REPORTING

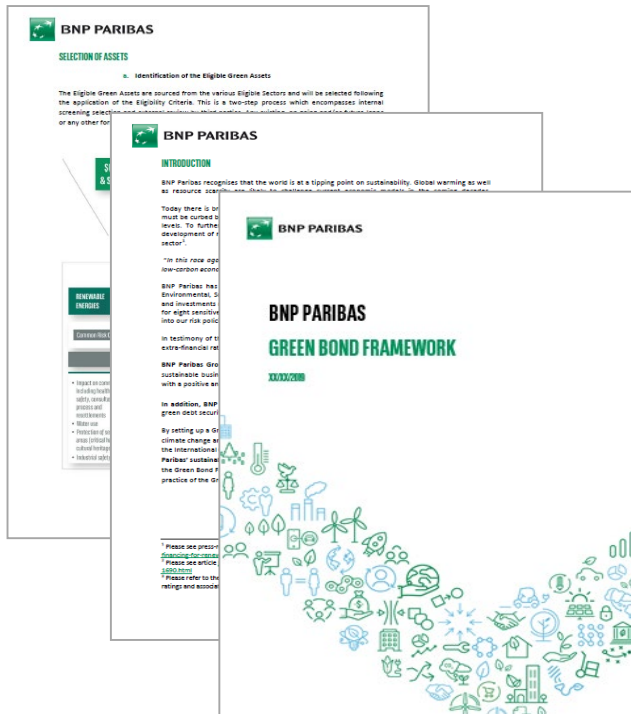
- Annual reporting on a single common pool of the Eligible Green Assets for all Green Bond issuances available on BNP Paribas' website: <https://invest.bnpparibas.com/en/green-bond-issues>
- Annual reporting will encompass :
  - Eligible Green Assets and their relevant environmental impact indicators;
  - Allocation of the Notes' net proceeds to Eligible Green Assets detailing the aggregate amount dedicated to each of the Eligible Sectors; and
  - Balance of unallocated cash and/or cash equivalent and/or other liquid marketable instruments
- Reporting in line with the guidelines of the Green Bond Principles and ICMA “Harmonized Framework for Impact Reporting” paper dated June 2019\*
- Latest annual reporting was published in December 2018 and was verified by auditors (EY)

The screenshot displays the BNP Paribas website's investor reporting section for Green Bonds. The top navigation bar includes 'BNP PARIBAS | INVESTORS & SHAREHOLDERS' and 'The bank for a changing world'. A search bar and utility links like 'Investment calculator' and 'Documents cart' are also visible. The main content area is titled 'Investor Reports & External Reviews Green Bonds' and features a '2019' section with two report cards: 'EY Assurance Report' and 'Dekom Second Party Opinion', both with a PDF icon and a 'View' button. A sidebar on the right shows a 'Share price' for BNP PARIBAS at 50,650 € with a -0.04% change, and a 'Headline' section for '3rd Quarter 2019 Results'.

\* <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2019/Handbook-Harmonized-Framework-for-Impact-Reporting-WEB-100619.pdf>



# BNP PARIBAS GREEN BOND FRAMEWORK: UPDATES



## Current updates:

- **Alignment to UN SDGs based on ICMA - A High-Level Mapping to the Sustainable Development Goals, at the level of the Eligible Sectors**
- **New categories / assets included: Green Building; Transportation: Electric Cars and Green Shipping** (eg. Liquefied Natural Gas (LNG-) fuelled ships. Scrubbers are explicitly excluded as well as ships transporting fossil fuels).
- **Excluded assets :**
  - Non-committed transactions, loans on watch list and assets pledged to other green financing programmes are excluded





# BNP PARIBAS GREEN BOND ISSUANCE

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Appendix

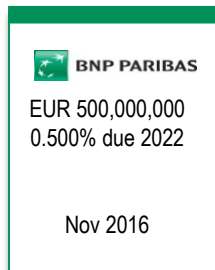


# BNP PARIBAS – A REGULAR ISSUER OF GREEN BONDS

- BNP Paribas is a repeat issuer in the green bond space with already a good track record of issuing successful transactions with a robust and transparent asset selection process
- BNP Paribas has also been at the forefront of the innovation in the sector, issuing one of the first green TLAC eligible debt instrument in Europe
- A single common pool of Eligible Green Assets being used, with the proceeds utilized to refinance existing loans or other form of financing within the Renewable Energy, Clean Transportation, Energy Efficiency, Green Buildings and Water sectors
- BNP Paribas continues to offer investors further insight into its sustainability strategy in line with its commitments

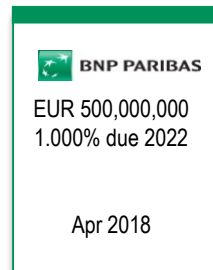
## INAUGURAL GREEN BOND ISSUANCE

- Inaugural issuance in Senior Preferred format
- Rating: A1/A/A+/AA(Low) by Moody's / S&P / Fitch / DBRS
- Maturity of long 5-year
- Pricing at €MS+40bps
- Coupon: 0.500%
- SPO by oekom
- Assurance Report by EY



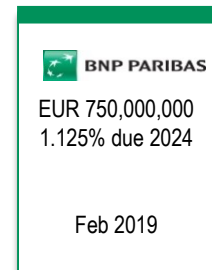
## SECOND GREEN BOND ISSUANCE

- Issuance in Senior Non-Preferred format
- Rating: Baa1/A/A+/A(High) by M/S&P/Fitch/DBRS
- Longer maturity of 6yr
- Pricing at €MS+55bps
- Coupon: 1.000%
- SPO by oekom
- Assurance Report by EY



## THIRD GREEN BOND ISSUANCE

- Second Issuance in Senior Non-Preferred format
- Rating: Baa1/A/A+/A(High) by M/S&P/Fitch/DBRS
- Maturity of 5.5-year
- Pricing at €MS+100bps
- Coupon: 1.125%
- SPO by ISS-Oekom
- Assurance Report by EY



# KEY FEATURES OF THE NEW BNP PARIBAS GREEN BOND

## USE OF PROCEEDS

- Proceeds of the transaction to refinance existing loans or other form of financing (the “Eligible Green Assets”): Wind (on-shore and off-shore), Photovoltaic Solar projects; Energy Efficiency; Water Management and Green Buildings
- Eligible Green Assets are predominantly located in highly regulated and developed countries (90%\*). One project is based in country assessed as low risk according to BNP Paribas E&S criteria\*\*
- Ultimately Eligible Green Assets may be diversified to stem from the various Eligible Sectors that will be added to BNP Paribas’ single common pool of Eligible Green Assets

## MANAGEMENT OF PROCEEDS

- BNP Paribas Green Bond Committee to review the pool of Eligible Green Assets semi-annually
- BNP Paribas internal information system to monitor the use of proceeds
- Proceeds not directly allocated will be invested in cash and/or cash equivalent and/or other liquid marketable instruments

## SELECTION OF ASSETS

- Selection by BNP Paribas Green Bond Committee on existing assets and using internal filters
- Controversy screening and review of the eligibility performed by an independent third party (ISS-oekom research)
- Review and assessment of the Eligible Green Assets performed by ISS-oekom research (ISS-oekom Green Bond Verification Framework)

## REPORTING

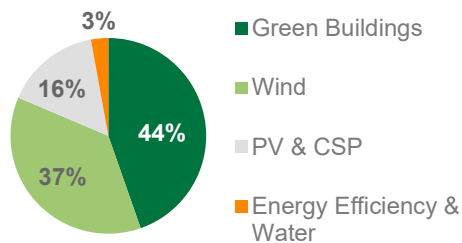
- BNP Paribas reports on a single common pool of assets for all Green Bond issuances
- Annual reporting on Eligible Green Assets and their environmental impact, on the allocation of the use of proceeds, and on the balance of unallocated proceeds
- Assurance report provided by auditors ex-ante and on an annual basis

\* Based on committed amounts; \*\* ISS-oekom comment in the SPO: “The project is located in a country for which legislative frameworks set minimum standards which reduce environmental and social risks”

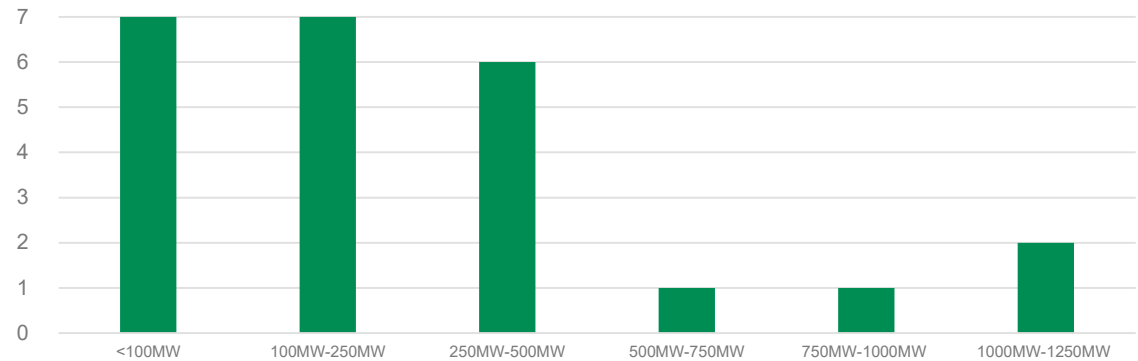


# OVERVIEW OF NEW ELIGIBLE GREEN ASSETS AS OF SEPTEMBER 2019

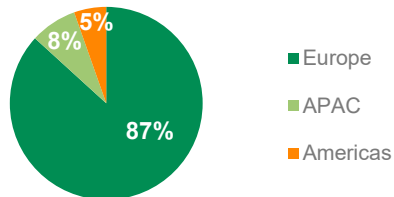
## ELIGIBLE GREEN ASSETS\* BY TECHNOLOGY



## NUMBER OF RENEWABLE ENERGY PROJECTS PER CAPACITY



## ELIGIBLE GREEN ASSETS\* BY GEOGRAPHY



- The 36 new Eligible Green Assets amount to **c. €2.1bn total committed amounts / c. €1.8bn total drawn amounts as of end of September 2019** with an **average residual maturity of 6 years**
- 75% of the new Renewable Energy assets are already in operation.
- The financing of 74% the Eligible Green Assets was closed after July 1<sup>st</sup>, 2018.
- At issuance, 100% of the proceeds will be fully allocated to the new Eligible Green Assets

**Mix of Renewable Energies, Green Buildings, Energy Efficiency and Water projects with a wider geographical reach**

\* Based on committed amounts

# EXAMPLES OF THE NEW GREEN ASSETS



## Santa Isabel PV Power Plant

- Project developed by Total Solar and SunPower and currently owned by Total Solar (50%) and Total Eren (50%).
- Project financing will be used to fund the construction of the project, which will have a capacity of 190MWp.
- Santa Isabel is located near the municipality of Maria Elena, in the Antofagasta region of Chile.


<http://www.globallegalchronicle.com/total-erens-acquisition-of-50-sunpower-corporations-interest-in-santa-isabel-solar-power-plant-project/>  
<https://www.carey.cl/en/tsgf-a-company-owned-by-sunpower-total-gets-financing-for-its-santa-isabel-project/>



## Frasers Tower Green Building

- Joint Green Loan Coordinator for a five-year syndicated term loan facility
- First syndicated secured green loan in Singapore and Southeast Asia under the Green Loan Principles
- In recognition of the property's environmentally-friendly design - including the use of systems that optimise water and energy efficiency as well as improved indoor air quality - it has received the Singapore Building and Construction Authority's Green Mark Platinum Award.
- Located at the epicenter of modern and traditional buildings

[https://investor.frasersproperty.com/newsroom/20180918\\_173708\\_TQ5\\_CAP632EN4Y5X6F44.1.pdf](https://investor.frasersproperty.com/newsroom/20180918_173708_TQ5_CAP632EN4Y5X6F44.1.pdf)



## Water-link Water Management and Water Treatment

- BNP Paribas Fortis acted as the Sole Lender; The established loan aims to finance projects focused on water distribution efficiency.
- The company has evolved from a water distributor to a water-management company, assuring not only drinking water distribution to private and industrial consumers, but also the wastewater management of eleven Antwerp-surrounding districts;
- Water-link produces over 160M m<sup>3</sup> of drinking water per year.
- Projects located in Belgium, serving the city of Antwerp and the involving areas.

<https://www.bnpparibasfortis.com/fr/newsroom/communique/water-link-contracte-un-emprunt-vert-chez-bnp-paribas-fortis>



# ESTIMATED ENVIRONMENTAL IMPACT REPORTING RENEWABLE ENERGIES & GREEN BUILDINGS



BNP Paribas reporting is based on ICMA Harmonized Framework for Impact Reporting<sup>2</sup> (as of June 2019)

- For **Renewable Energies** sector, BNP Paribas will report each year on:
  - Production achieved (information reported on a best effort basis)
  - Tons of CO2 equivalent avoided based on EIB Project Carbon Footprint Methodologies<sup>1</sup> (as of December 2018)

Sector	Technology	Country	Number of Projects	Capacity in MW	Estimated Annual Production in GWh	Estimated Annual t CO2 avoided	BNP Paribas Amount of the financing (committed) in Mn EUR (or EUReq) as of 31/09/2019	BNP Paribas Amount of the financing (drawn) in Mn EUR (or EUReq) as of 31/09/2019
Renewable Energies	Solar PV & CSP	SP, IT, CHL, MYS	9	269 701	2 038	900 318	325 947,09	269 700,79
	Onshore Wind	IRL, IT, SP, AUS, USA, UK	6	144 626	3 410	1 684 143	171 409,91	144 626,21
	Offshore Wind	PT, GE, BE, UK, USA	9	453 086	16 914	7 121 876	589 196,55	453 085,60
<b>TOTAL</b>			24	867 413	22 361	9 706 337	1 086 553,55	867 412,60

- For **Green Buildings**, BNP Paribas will report each year on Green Floor Space/Certification level, Energy Intensity and GHG emissions avoided (information reported on a best effort basis)

Sector	Country	Number of Projects	Certifications	Floor Space (Sqm)	BNP Paribas Amount of the financing (committed) in Mn EUR (or EUReq) as of 31/09/2019	BNP Paribas Amount of the financing (drawn) in Mn EUR (or EUReq) as of 31/09/2019
Green Building	IT, FR, UK, SGP	10	BCA Green Mark Platinum, LEED Gold, BREEAM Very Good, BREEAM Excellent	483 960,08	923 597,78	883 886,78
<b>TOTAL</b>				-	483 960,08	923 597,78

- For the remaining sectors (Water Management and Energy Efficiency), BNP Paribas intends to report on appropriate indicators

<sup>1</sup> [https://www.eib.org/attachments/strategies/eib\\_project\\_carbon\\_footprint\\_methodologies\\_en.pdf](https://www.eib.org/attachments/strategies/eib_project_carbon_footprint_methodologies_en.pdf)

<sup>2</sup> <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2019/Handbook-Harmonized-Framework-for-Impact-Reporting-WEB-100619.pdf>



# ROBUST AND POSITIVE EXTERNAL REVIEWS

ISS-oekom's overall evaluation of the Green Bond Programme by BNP Paribas is positive

SPO SECTION	SUMMARY	EVALUATION
<b>Part 1</b> Performance against the GBPs	The issuer has defined a formal concept for its Green Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA GBPs.	<b>Positive</b>
<b>Part 2</b> Sustainability quality of the asset pool	<p>The overall sustainability quality of the asset pool in terms of sustainability benefits, risk avoidance and minimisation is good based upon the ISS-oekom Green Bond KPIs. The Green Bond KPIs contain a clear description of eligible asset categories which include wind power, solar power (PC and CSP), water supply, Smart energy and commercial real estate.</p> <p>Most of the assets of the asset pool are located in highly regulated and developed countries. Legislative frameworks in those countries set minimum standards, which reduce environmental and social risks.</p>	<b>Positive</b>
<b>Part 3</b> Issuer sustainability performance	<p>The issuer itself shows a good sustainability performance and has been classified as "Prime" within the methodology of the ISS-oekom Corporate Rating.</p> <p>It is rated 7th out of 267 companies within its sector as of 07.11.2019.</p>	<p><b>Status: Prime</b></p> <p><b>Rating: C</b></p> <p><b>Prime threshold: C</b></p>

**ISS-oekom** **BNP PARIBAS**

**SECOND PARTY OPINION (SPO)** **BNP PARIBAS GREEN BOND**

Sustainability Quality of the Issuer and Green Bond Asset Pool as of 07.11.2019

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**ALIGNMENT WITH ICMA GREEN BOND PRINCIPLES**

1. Use of Proceeds	☑	<b>POSITIVE</b>
2. Process for Project Evaluation and Selection	☑	
3. Management of Proceeds	☑	
4. Reporting	☑	

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**ASSET CATEGORIES ALIGNMENT WITH ISS-OEKOM GREEN KPIs**

• Offshore and onshore wind power	• Water management and water treatment	<b>POSITIVE</b>
• Solar Power (CSP)	• Energy efficiency	
• Solar Power (PV)	• Green buildings	

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**SUSTAINABILITY PERFORMANCE ASSESSMENT**

In the ISS-oekom Corporate Rating with a rating scale from A+ (excellent) to D- (poor), BNP Paribas was awarded a rating of C and classified as 'PRIME'.

As of 07.11.2019, this rating puts BNP Paribas in place 7 out of 267 companies rated by ISS-oekom in the Commercial Banks & Capital Markets sector.

**Status: PRIME**  
**Rating: C**  
**Prime threshold: C**

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**CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS**

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
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**CONTRIBUTION**

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ISS-oekom's SPOs provide Sustainability, Green and Social bond issuers with a credible and independent assessment of the sustainability quality of their bonds.

Those that meet ISS-oekom's rigorous global standards give sustainability-oriented investors security that the projects they fund are suitably green or social.

The ISS-oekom's present evaluation will remain valid until any modification of the Green Bond Framework or addition of new assets into the asset pool by the issuer and as long as the issuer's Corporate Rating does not change (last modification on the 17.06.2019). The controversy check of the underlying assets has been conducted on the 23.08.2019.

**ISS-oekom** **LEADING SPO MARKET EXPERTISE** **EXPERIENCE ACROSS ISSUER TYPES AND ASSET CLASSES** **SUPPORTED BY WIDER ISS FUNCTIONS**

# CONCLUSION

- ✓ **4<sup>th</sup> Green Bond for BNP Paribas (3<sup>rd</sup> Non Preferred Senior Green Bond) further anchoring BNP Paribas as a regular Green Bond issuer**
- ✓ **Framework aligned with UN SDGs based on ICMA “*A High-Level Mapping to the Sustainable Development Goals*” and reviewed by ISS-Oekom**
- ✓ **Robust and Transparent Selection of Assets**
- ✓ **Positive External Review**
- ✓ **In line with BNP Paribas’ Ambitions in Sustainability**



# BNP PARIBAS GREEN BOND ISSUANCE

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- CSR Policy at the Heart of BNP Paribas
- BNP Paribas Green Bond Framework
- Green Bond Proposed Transaction

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## Appendix



# Medium/Long Term Wholesale Funding 2019 Programme

## 2019 MLT funding plan\*: €36bn

- Of which capital instruments: €3bn
  - Target of 3% of RWA
  - Additional Tier 1: 1.3% and Tier 2: 2.1% as at 30.09.19
  - AT1: \$1.5bn issued on 18.03.19, Perp Non Call 5, 6.625% coupon, equiv. mid-swap€ + 360bp
  - AT1: AUD 300m (€187m equiv.) issued on 03.07.19 Perp Non Call 5.5, 4.5% coupon, equiv. mid-swap€ + 264bp
  - Tier 2\*\*: ~€1.8bn equiv., issued under various formats, average maturity of 11 years, mid-swap€ + 147bp (€1bn, 12Y Tier 2 issued on 25.06.19, mid-swap +130bp)
  
- Of which senior debt: €33bn
  - Of which Non Preferred Senior (NPS) debt: €14bn
  
- Non Preferred Senior (NPS) debt already issued\*\*: €15.4bn average maturity of 6.6Y, mid-swap + 143bp
  - €750m, 5.5Y Green NPS issued on 21.02.19, mid-swap +100bp
  - €1bn, 6Y Non Call 5 NPS issued on 10.07.19, mid-swap +75bp
  - €1bn, 7Y NPS issued on 28.08.19, mid-swap +70bp
  - \$2bn (€1.8bn equiv.), 6Y Non Call 5 NPS issued on 12.11.19, Treasury +110bp (equiv. mid-swap€ + 82bp)

## Evolution of existing Tier 1 and Tier 2 debt as at 1.10.2019 (eligible or admitted to grandfathering)\*\*\*

€bn	01.10.2019	01.01.2020	01.01.2021
AT1	9	9	8
T2	17	17	16

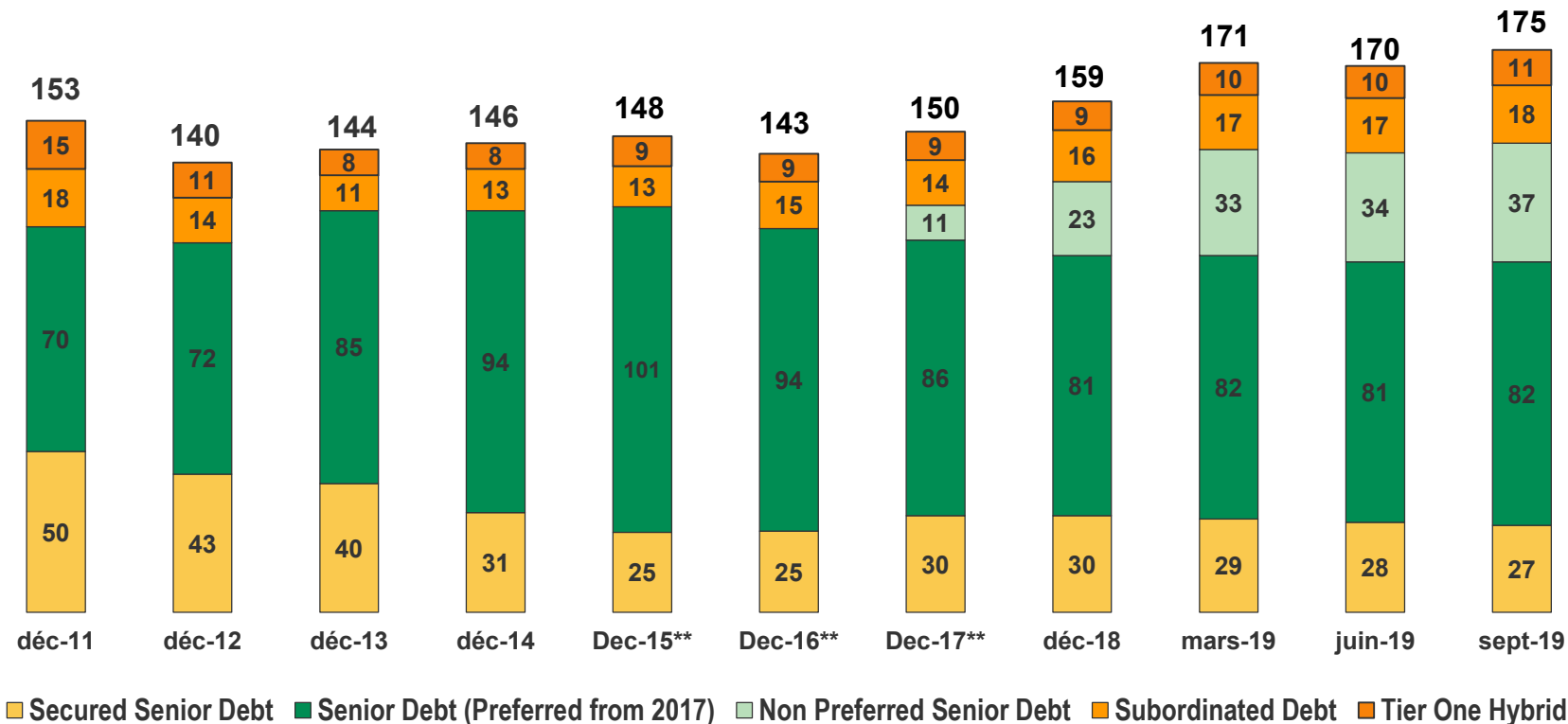
## Non Preferred Senior debt programme already completed

\* Subject to market conditions, indicative amounts at this stage; \*\* As at 14.11.19; \*\*\* Maturity schedule taking into account prudential amortisation of existing instruments as at 01.10.19, excluding future issuances, assuming callable institutional instruments are called at the first call date, and taking into account the grandfathering phasing out



# Medium/Long Term Funding Outstanding

## > Wholesale MLT funding outstanding\* (€bn)



## > Overall MLT funding essentially stable over the period

\* Source: ALM funding, nominal amounts of issuances, valued at end of quarter for all senior debts and Tier 2, Tier 1 being at historical FX rate; \*\* Figures restated according to the new broader definition of wholesale funding, covering all funds, excluding those provided by retail customers, SMEs and corporates, institutional clients for their operating needs, monetary policy and funding secured by market assets

