

SUSTAINABLE BY NATURE: OUR BIODIVERSITY ROADMAP 3-YEAR UPDATE



BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world

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This paper has been produced for ease of reading on a screen, please do not print unless absolutely necessary. If you have any feedback on this document, please do not hesitate to share it with us at: am.investmentinsights@bnpparibas.com



FOREWORD



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At BNP Paribas Asset Management (BNPP AM), we have been working to tackle biodiversity loss and the impact it has on the companies and countries we invest in for several years. In 2021, we launched our [Biodiversity Roadmap](#) in order to:

- Recognise the many scientific studies and publications demonstrating that biodiversity loss is a source of risk for global economies and therefore for the prospective returns of the portfolios we manage for our clients, and
- Set out how we are actively addressing these risks through the six pillars of our sustainable investment approach.

Three years later, and in line with the Global Biodiversity Framework (GBF) 'target 15' calling on companies and financial institutions to disclose their risks, dependencies and impacts on biodiversity, we are pleased to report our progress to clients and stakeholders and consider the next steps.

The main objective of this document is to provide an easy-to-read BNPP AM 'biodiversity digest', addressing:

- Which criteria and approaches we have adopted to measure and manage biodiversity-related risks
- Who our trusted partners are for collaborating on research and engagement
- Which data providers we are using, and
- What initiatives and investment strategies we have launched in the field of ecosystem protection.

Since the adoption of the GBF at COP15 of the Convention on Biological Diversity in Montreal in December 2022, we have seen an increase in awareness among governments and businesses of the potential economic implications of biodiversity loss. This year at COP16 in Cali, Colombia, official negotiations, as well as business- and finance-related discussions, emphasised again the importance of reducing drivers of nature loss, as well as increasing the financial resources dedicated to the conservation, restoration and sustainable use of biodiversity.

While COP16 negotiations on the mobilisation of public finance led to limited results, we did see positive outcomes related to ocean preservation, benefit sharing from the use of genetic resources, better recognition of the role of Indigenous People and Local Communities (IPLCs) as nature stewards, as well as strengthened synergies between National Biodiversity Strategies and Action Plans (NBSAPs) and Nationally Determined Contributions (NDCs).

BNP Paribas Group was present at COP16, reflecting the momentum that we and other financial institutions seek to build on nature, fostering private investment and the development of innovative solutions to finance biodiversity conservation and restoration.

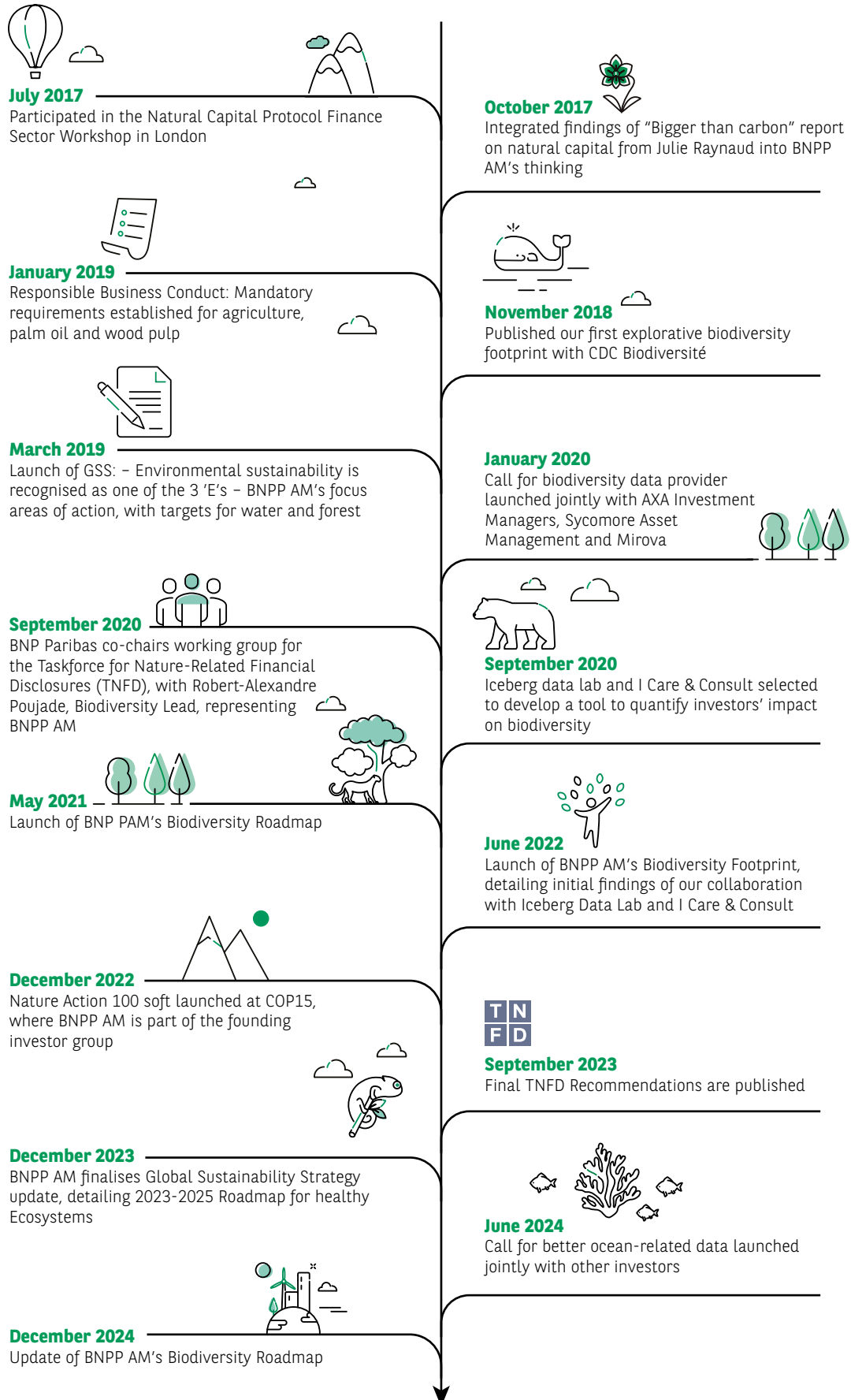
BNPP AM is working in several ways to contribute to this momentum, as you will discover in this document, including existing biodiversity-related investments exceeding EUR 700 million.

Ecosystems and economic health are closely intertwined, and we value the opportunity to continue to collaborate with clients, colleagues and peers across the industry to tackle the urgent challenges ahead. We hope you enjoy reading about the progress we have made so far, and welcome the opportunity to discuss it with you.



OUR BIODIVERSITY JOURNEY

Over the years, we have worked on multiple initiatives to address biodiversity loss.






2021-2024 HIGHLIGHTS

The following highlights, since the launch of our biodiversity roadmap three years ago, are organised around the six pillars of our sustainable investment strategy.

- 1. Forward-looking perspective: the '3Es' (Energy transition, healthy Ecosystems and Equality)**
 - Active contribution to the working groups of the Taskforce for Nature-related Financial Disclosures ([TNFD](#)), since the TNFD initial launch
 - [Call](#) for better ocean-related data launched jointly with other investors
- 2. Responsible business conduct**
 - Update of [Palm oil](#) and [Wood pulp](#) policies (improvement of screening using ZSL SPOTT data)
 - Update of [Agriculture policy](#)
- 3. Environmental, Social & Governance (ESG) integration**
 - Use of several data providers to meet the different needs of our asset classes (listed corporates, private assets, sovereign) in terms of reporting and decision-making
 - Agrifood and ocean deep-dives conducted
- 4. Stewardship (voting, engagement, policy advocacy)**
 - Leadership role in launching [Nature Action 100](#); Co-chair of the NA100 Steering Group and active participant in nine company engagements
 - Involvement in several leading public policy advocacy initiatives, such as the [Business Coalition for a Global Plastics Treaty](#)
 - Addressing global pharmaceutical sector dependency on horseshoe crabs
 - Blue Economy exchange-traded fund (ETF) engagement
 - 2023 Non-Disclosure Campaign (CDP Water, Forests)
- 5. Sustainability in our product range**
 - [TNFD pilot](#) and [GBF alignment](#) pilot for BNP Paribas Ecosystem Restoration fund
 - [BNP Paribas Solar Impulse Venture Fund](#) raises EUR 150 million for ecological transition
 - Acquisition of IWC and launch of [BNP Paribas Future Forest Fund](#)
- 6. Corporate Social Responsibility (CSR)**
 - Funded [CDP](#) to help develop common biodiversity metrics
 - Sustainability Academy @AM and roll-out of [Biodiversity 'Fresques'](#) for our employees
 - Making the environment a central theme of our Community Impact Week, an annual week of employee volunteering

OUR BIODIVERSITY ROADMAP: PROGRESS AGAINST OUR 2025 PLAN

Areas of focus for 2025 are shown in the following table, identified alongside the relevant pillars of our sustainability approach and the relevant Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) pressure. We also see climate as an important pressure on biodiversity that we address in our dedicated [Net Zero roadmap](#). Further details on the progress achieved so far are described later in this document.

	IPBES pressure	Progress	Area of focus for 2023-2025
 Investments	Land/water/sea use change	☑	Update our Forest analysis from 2021 Explore an evolution to our Agriculture policy, to address seafood and other ocean-related topics Update our Water analysis from 2021
	Resource use/replenishment	✓	Conduct new deep dives: planetary health diets, food waste Review our potential investment exposure to the IUCN Red list Index, Red List of Ecosystems, Species Extinction risk
	Pollution	✓	Update our Water analysis from 2021 Conduct new deep dives: plastics, pesticides, chemicals
	All pressures	☑	Continue existing initiatives such as SUSTAIN , SELINA , PBAF or TNFD Strengthen and promote our range of nature-based solutions; Establish BNPP AM Future Forest Fund (with IWC acquisition)
 Stewardship	Land/water/sea use change	☑	Participate in Nature Action 100; Investor Policy Dialogue on Deforestation (IPDD)
	Resource use/replenishment	☑	Participate in Nature Action 100; ARE Sustainable Proteins; FAIRR
	Pollution	☑	Participate in Nature Action 100; Investor Initiative on Hazardous Chemicals (IIHC); Business Coalition for a Global Plastics Treaty; implementation design phase of Global Framework of Chemicals
	Invasive species and others	☑	Participate in Nature Action 100; Blue Economy ETF engagement activity
	All pressures	☑	Support and file shareholder resolutions; continue our role in the Open Letter to Governments on the Water Crisis
 Operations	All pressures	☑	Provide BNPP AM colleagues with opportunities for training and development, including biodiversity Fresk workshops, specific training and volunteer opportunities Reduce the impact on biodiversity of our operations.

IPBES Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
















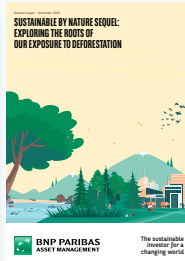

IUCN: International Union for Conservation of Nature, [IUCN Red List of Threatened Species](#), [Red List of Ecosystems | Home \(iucnrl.org\)](#)

☑ Completed ✓ On track

We have developed a biodiversity roadmap based on the six pillars of our [sustainability approach](#).

1. FORWARD-LOOKING PERSPECTIVE – OUR 3 ‘E’S

We believe an optimal economic model can be built on a successful Energy transition, healthy Ecosystems, and greater Equality in our societies – our 3 ‘E’s. Taken together, these form a pathway to economic sustainability that will enable us, as investors, to safeguard long-term returns. We can integrate our knowledge of and perspectives on the 3 ‘E’s into our investment processes across asset classes. This optimises our ability to make well-informed decisions – particularly in a world with imperfect information and inconsistent levels of knowledge – thus helping to protect and enhance investment outcomes for clients. As part of our biodiversity roadmap, we collaborate with several partners to ensure a scientific and empirical foundation for the transition, such as:

 <p>DATA</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Planet Tracker</p> </div> <div style="text-align: center;">  <p>ZSL SPOTT</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  <p>Naturalis</p> </div> <div style="text-align: center;">  <p>CDP</p> </div> </div>	 <p>STANDARDS</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>PBAF</p> </div> <div style="text-align: center;">  <p>TNFD</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  <p>ALIGN</p> </div> <div style="text-align: center;">  <p>SELINA</p> </div> </div>
 <p>COALITIONS</p> <div style="text-align: center; margin-top: 20px;">  <p>Capitals Coalition/SUSTAIN</p> </div> <div style="margin-top: 20px;">  <p>“As biodiversity loss, climate change and social inequalities are deeply affecting our societies, the need for collaboration has never been higher. We value seeing thought leaders making progress and not being shy about the challenges in their own journey as they build bridges with our network who are leading this change to redefine value to transform decision making.”</p> <p>Mark Gough, CEO Capitals Coalition</p> </div>	 <p>RESEARCH PAPERS</p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="margin-top: 20px; text-align: center;">  <p>OCEAN</p> <p>Statement from the private financial sector to ESG data providers: the urgent need for better ocean-related data to make informed investment decisions.</p> </div>

2. RESPONSIBLE BUSINESS CONDUCT (RBC)

NORMS-BASED SCREENING

UNITED NATIONS GLOBAL COMPACT (UNGC)

The Global Compact is the world's largest corporate sustainability initiative which aims to 'embrace, promote and ensure compliance with' universal principles in the area of human rights, labour, the environment and the fight against corruption. These 10 principles are inspired by the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES (OECD MNE)

The OECD Centre for Responsible Business Conduct's Guidelines for Multinational Enterprises uses RBC standards and recommendations to shape government policies and help businesses minimise the adverse impacts of their operations and supply chains. Through RBC, businesses can make a positive contribution to economic growth and development and become a powerful driver for achieving the SDGs.

BNPP AM has divested from companies for breaching UN GC and/or OECD MNE for their involvement in biodiversity loss, due to:

- The trading of protected species
- Industrial fishing in the high seas
- Severe environmental pollution.

SENSITIVE SECTORS

We have a series of sector policies that set out the conditions for investing in particular sectors and that guide our screening requirements. We do this because if the activities in question are not conducted with due care, they could cause serious social or environmental damage. Below are only the relevant biodiversity-related criteria used in our screening requirements:



Upstream agricultural companies

- During our engagements with companies in the beef and soy value chains operating in the Amazon and Cerrado regions, we will focus on issues related to deforestation and traceability.



Upstream palm oil companies

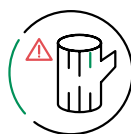
- We will only invest in companies that have a policy in place to conduct High Conservation Value (HCV) assessments before developing new oil palm plantations, and to protect the HCV areas identified within their concessions

- Have a policy in place to conduct High Carbon Stock (HCS) assessments before developing new oil palm plantations and to protect the HCS forests identified within their concessions
- Do not develop new oil palm plantations on UNESCO World Heritage Sites; Wetlands on the Ramsar list; Alliance for Zero Extinction sites; IUCN Category I-IV areas
- Do not develop new oil palm plantations on peatlands, regardless of their depth
- Implement best management practices for existing oil palm plantations located on peatlands
- Minimise the use of artificial fertilisers
- Do not use, except in very specific and exceptional situations, pesticides that are categorised as WHO Class Ia or Ib, or that are listed by the Stockholm or Rotterdam Conventions
- Have a policy in place to minimise the use of pesticides, and have a time-bound plan to terminate the use of paraquat
- Have a time-bound plan to ensure that all their third-party suppliers of fresh fruit bunches are compliant with their sustainability commitments and policies.



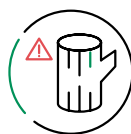
Downstream palm oil companies

- We will only invest in companies that have a time-bound plan to ensure that their palm oil suppliers are compliant with the following standards: No development in HCS forests; No development in HCV areas; No development on peat, regardless of depth



Forestry management

- We will only invest in companies that do not convert UNESCO World Heritage Sites into industrial wood plantations
- Conduct a High Conservation Value (HCV) assessment before developing a new plantation
- We also encourage upstream pulp companies to present a clear and stringent environmental management procedure for existing plantations. This procedure will clearly indicate how the project is dealing with agrochemicals, water and biodiversity management. In cases of external supplies of wood for the pulp mill, the company must check with its suppliers about such procedures
- We strongly encourage upstream pulp companies to develop alternatives to plantations on peatlands, as peatlands are valuable for the various crucial ecosystem services they provide. These functions and values include biodiversity maintenance, carbon and water storage, as well as water regulation and quality.



Pulp producers

- Concerning wood supply, pulp producers must verify that their wood sourcing respects the mandatory requirements applicable to forestry management
- Pulp producers need to present a management plan to monitor and control various water effluent levels and air emission indicators listed by the applicable International Financial Corporation (IFC) Environmental, Health, and Safety (EHS) Guidelines for Pulp and Paper Mills. As of the publication date of this policy, these parameters are the followings: Flow, potential of hydrogen (pH), Total Suspended Solids (TSS), Chemical Oxygen Demand (COD), Biological Oxygen Demand (BOD), Absorbable Organic halogen (AOX), Total quantity of Nitrogen (Total N), Total quantity of Phosphor (Total P).



Oil and gas companies

- We will only invest in companies deriving less than 10% of their exploration and production activities from the Arctic region, with this ratio computed as follows:
 - Pure oil and gas players will be assessed based on their reserves in this area as a percentage of their total reserves
 - Diversified oil and gas companies will be assessed based on an Arctic Ratio. This ratio will be calculated as the percentage of total reserves in the Arctic multiplied by the share of total revenues from upstream activities.
- We will only invest in energy companies that generate less than 10% of their revenues from activities in the Arctic Region.
- We will not invest in companies with oil and gas reserves in the Amazon, nor those actively developing related infrastructure in these areas.



Mining companies

- We do not want to invest in companies that cannot disclose or provide on demand information at company level on their performance related to water use, waste and greenhouse gas (GHG) emissions as well as strategies regarding land reclamation.

3. ESG INTEGRATION

As part of our approach, we aim to make sure investment decision-making is informed by biodiversity considerations, particularly for key industries. We also aim to advance the understanding of biodiversity issues in the investment and corporate communities. Accordingly, we need high-quality data that we can translate into portfolio management terms. We are making progress in this field, but significant challenges remain.

Below is an overview (not exhaustive) of BNPP AM's biodiversity data integration journey. Some biodiversity-related strategies (BNP Paribas Ecosystem Restoration or IWC Future Forest Fund) involve tailored biodiversity data approaches.

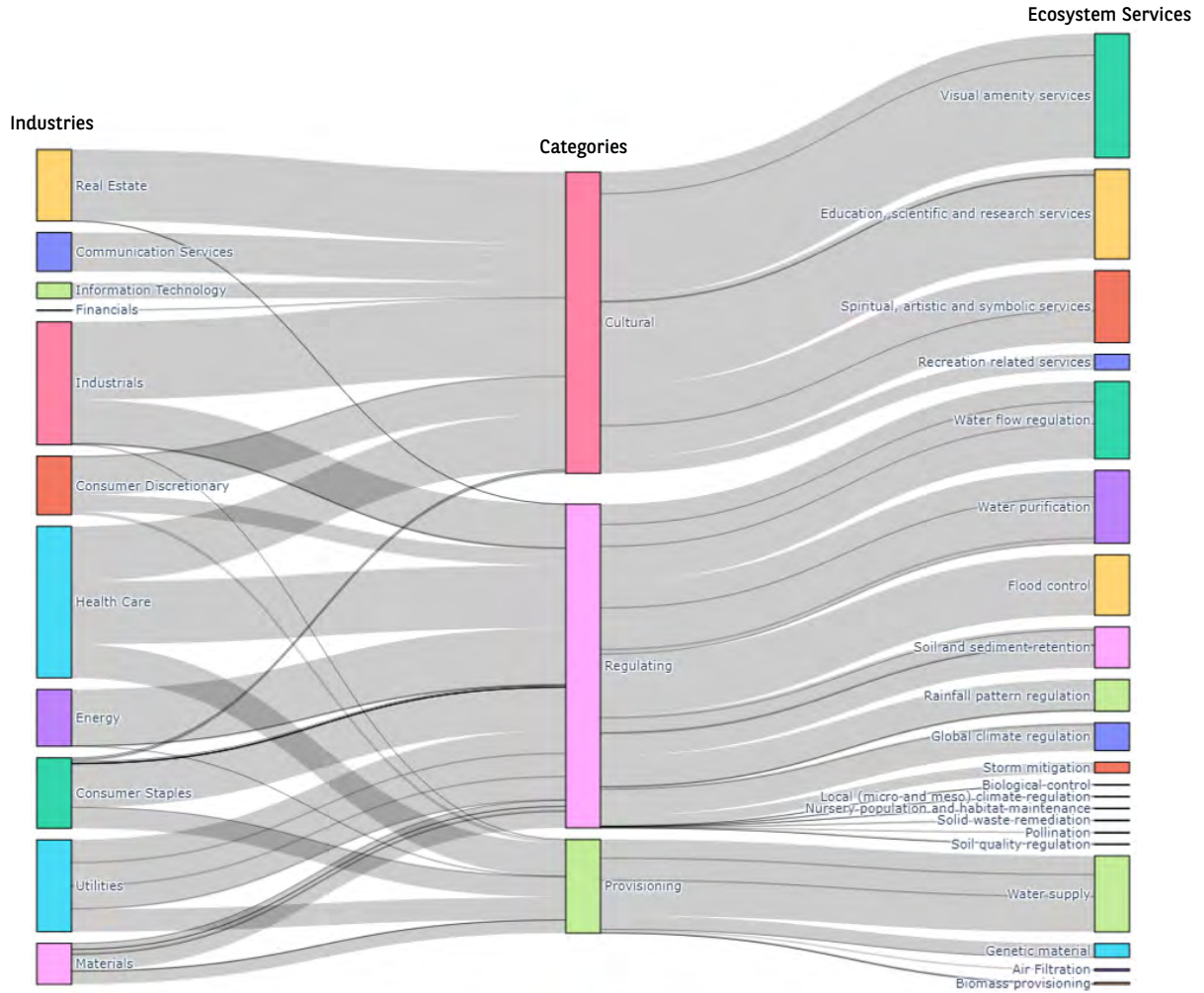
ASSET CLASS	DATA PROVIDER	DATA TYPE	DATA USE CASE
Corporate equity and debt (publicly listed)	Iceberg Data Lab	Impact, dependency	LEC 29 reporting, Stewardship, Corporate ESG scoring (pending)
	ZSL SPOTT	Policies, programmes, Impact	Responsible Business Conduct screening (Palm oil, Wood Pulp)
	CDP	Policies, Programmes, Dependency (CDP Water, CDP Forest)	ESG sector/theme analysis, Stewardship
	Forest IQ	Several data points	Involved in design and now testing
	Matter	Revenue-based	SDG alignment model which informs our Sustainable Investment definition
	Sustainalytics	Policies, Programmes, Impact	SFDR Principal Adverse Impact (PAI) 7 and 8, Corporate ESG scoring
	NatureMetrics	On-field	POC to use eDNA testing in some production assets of a holding within Ecosystem Restoration strategy
Private assets	Kayrros	Satellite/MSA	POC to use MSA-based indicators for infrastructure debt analysis
	Naturalis	On-field	POC to use remote-sensing, eDNA, drones, camera-traps and other best available tech for biodiversity monitoring in temperate forests
	IBAT	Geo	Private asset ESG analysis
Sovereign	Iceberg Data Lab	Sovereign Biodiversity Footprint	LEC 29 reporting
	Beyond Ratings	Impact	Sovereign ESG scoring

LEC29: Loi Energie-Climat article 29, SDG: Sustainable Development Goals, SFDR: Sustainable Finance Disclosure Regulation, PAI: Principal Adverse Indicator, POC: Proof of Concept, MSA: Mean Species Abundance, DNA: Deoxyribonucleic Acid.

OUR POTENTIAL DEPENDENCIES ON ECOSYSTEM SERVICES

To deepen our understanding of our biodiversity-related exposures at BNPP AM, we were among the first financial institutions to model the dependencies of our assets under management on ecosystems services in 2020, using the ENCORE database (see [Biodiversity roadmap](#) p15). We've been involved in project SUSTAIN, which published a new version of ENCORE. Using the latest dependency data from July 2024, we found new results (see below figure):

BNP Paribas AM holdings dependencies (High or Very High)



Source: BNPP AM, ENCORE, as of June 30, 2024. Total AuM in Scope = EUR272bn. Only high and very high direct dependencies were considered.

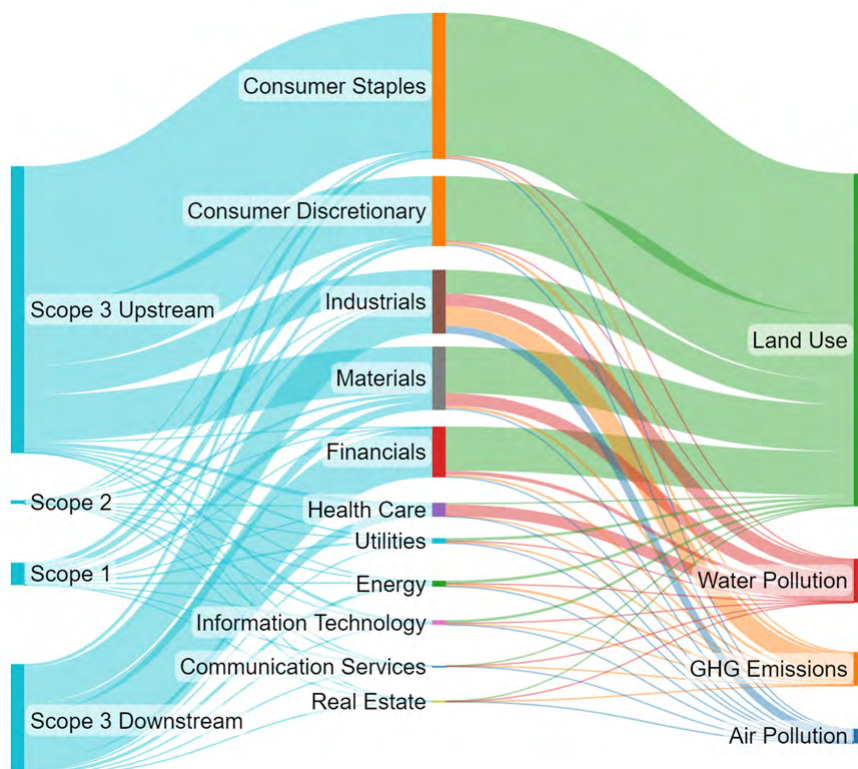
What we learned from this assessment

- We found that about one quarter of our corporate assets under management are highly or very highly directly dependent on ecosystem services. As in our previous analysis, water, flood/storm protection and climate regulation are still among the most important ecosystem services that our investment portfolios depend upon. With the update of ENCORE, we now see that we also depend to a large extent on cultural services, such as visual amenity services or education, scientific and research services
- We have tried to analyse indirect dependencies (which stops at Tier 2), but the mapping is done at high level with no dedicated dependency matrix and does not allow us to link sub-industries to indirect dependencies
- This analysis provides a basis of comparison with dependency data from Iceberg Data Lab, which has built its own supply chain model
- We need more advanced ecosystem services and dependency databases to support our decision-making, such as the [Ecosystem Services Valuation Database](#) (ESVD).

OUR POTENTIAL IMPACTS ON BIODIVERSITY

In 2022, we published BNPP AM's biodiversity footprint. Biodiversity footprinting is an assessment tool that helps investors combine investees' modelled and reported data to quantify their potential biodiversity impact, without the need to measure actual biodiversity change on the ground – an impossible task for a large, globally diversified asset manager.

As such, the footprint is a measure of negative impact – what are the potential impacts on biodiversity represented by the companies in our portfolios? The figure below visualises the relative contribution of each value chain, scope, sector and pressure to our weighted biodiversity intensity.



Source: Made with SankeyMATIC based on BNPP AM analysis

What we learned from this assessment

- Land use change is the main environmental pressure, contributing approximately 80% of the weighted biodiversity intensity of our corporate AUM, followed by water pollution (10%), climate change (8%) and air pollution (3%). This is roughly in line with IPBES results at a global level but excludes key pressures such as resource overexploitation and invasive species.
- The consumer staples, consumer discretionary, industrials and materials sectors are the principal contributors to our corporate AUM-weighted biodiversity intensity, which is mainly due to the biodiversity intensity of their Scope 3 impacts. Our corporate AUM's primary contributions to nature loss are through the impacts of land use change, followed by water pollution, greenhouse gas emissions and air pollution.



4. STEWARDSHIP

In relation to biodiversity, we expect companies to assess and report on their key impacts and dependencies on nature, beginning with companies in high-impact sectors and with a priority focus on deforestation and water. Accordingly, biodiversity is an integral part of our stewardship approach. Over the years, we have evolved our stewardship policy (notably voting) to include further biodiversity considerations. Below is an overview (not exhaustive) of BNPP AM's biodiversity stewardship initiatives, including examples. More details are available [here](#).



VOTING

- In 2023, opposed 91 management resolutions at 27 AGMs for failure to meet our biodiversity-related expectations
- In 2023, supported 16 (100%) shareholder proposals relating to biodiversity.



COLLABORATIVE ENGAGEMENT

- Leadership role in launching Nature Action 100; Co-chair of the NA100 Steering Group and active participant in nine company engagements



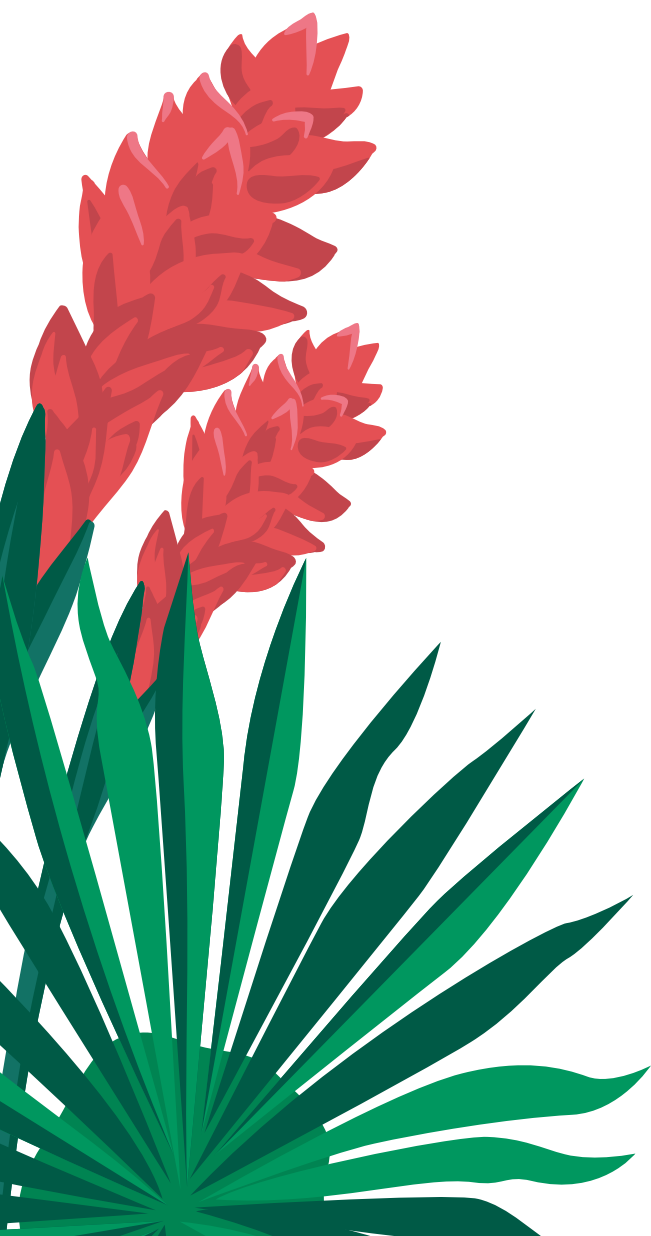
- Participant in FAIRR Protein Diversification and Sustainable Aquaculture engagement initiatives
- Participant in ARE Asia Protein Transition Platform, leading two company engagements focusing on deforestation and animal welfare



- Steering Committee of Investor Initiative on Hazardous Chemicals (IIHC); leading one related to engagements, supporting six
- Annual participant in CDP's non-disclosure campaign



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INDIVIDUAL ENGAGEMENT

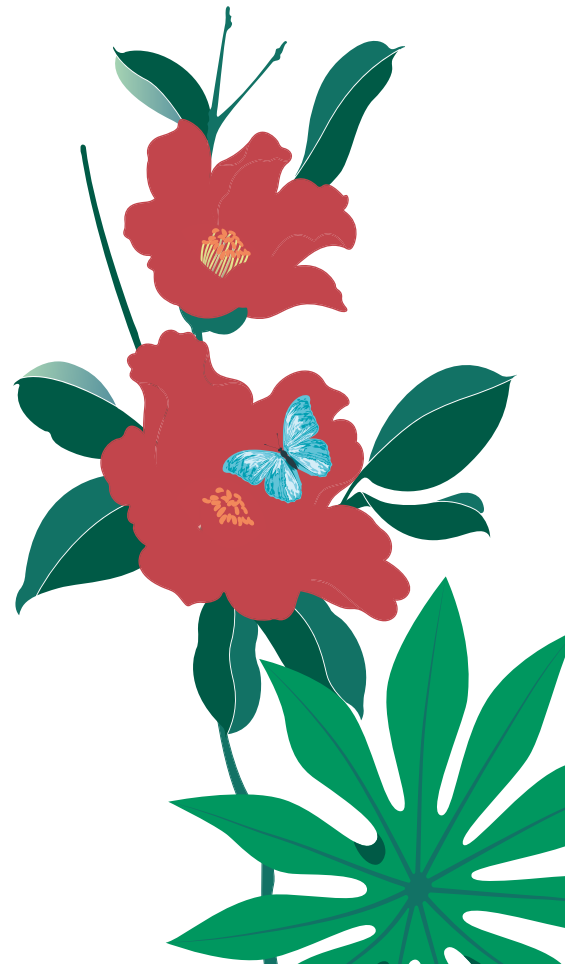
538 biodiversity-related engagements since 2021, of which 172 in 2024, including below examples:

- Helped convince **Archer Daniels Midland (ADM)** to conduct a feasibility study to determine when it can eliminate 'native vegetation conversion' from its soy and corn supply chains in South America and issue a correlated commitment.
- Helped secure commitment from **P&G** to improve reporting on its efforts to avoid deforestation and degradation in the Canadian boreal region and to invest in alternative fibres R&D; opposed board for removing forest 'degradation' from company policy.
- Submitted and withdrew two shareholder proposals addressing illegal deforestation at **Cambodian apparel** factories.
- Launched a [Blue Economy ETF engagement](#) with selected constituents in the seafood and shipping sectors.
- Initiated an engagement to end the use of threatened **horseshoe crabs** in endotoxin testing. Engaged with 17+ US and European companies to align practices with 2023 Position Paper developed by Pharmaceutical Supply Chain Initiative at our prompting.



PUBLIC POLICY ADVOCACY

- Signatory to the [Open Letter to Governments on the Water Crisis](#)
- Participant in the [Investor Policy Dialogue on Deforestation](#) (IPDD)
- Input into development of new [Global Framework on Chemicals](#), agreed September 2023
- Signatory to the [Business Coalition for a Global Plastics Treaty](#)
- Signatory to the [Investor Action on AMR Public Investor Statement](#)



5. SUSTAINABILITY IN OUR PRODUCT RANGE

We provide our clients with a range of solutions targeting to address biodiversity-related challenges. As at early November 2024, we were managing ~EUR 0.7 billion of assets aiming to address this challenge. We are increasing our range of biodiversity-related strategies across listed and private assets, while also supporting the transition to a less harmful economy for biodiversity.

PASSIVE STRATEGIES

- The Easy ECPI Global ESG Blue Economy strategy (~EUR 250 million) aiming to help support the objectives of SDG 14, Life Below Water
- The Easy ESG Eurozone Biodiversity Leaders strategy (~EUR 50 million) offering investors exposure to companies with a lower potential impact on biodiversity than their peers.

PRIVATE ASSETS

- The Future Forest strategy (~EUR 130 million)¹ investing in sustainably managed timberland
- The Solar Impulse Venture Strategy² (~EUR 150 million) aiming to accelerate the Ecological Transition
- The Impact line for natural capital strategy³ (~EUR 55 million) investing in nature-based solutions and mature technologies aiming at the preservation and/or restoration of natural ecosystems and functions.

ACTIVE EQUITIES

- The Ecosystem Restoration strategy (~EUR 80 million) has the objective of helping to restore our ocean, lands and urban communities. The portfolio managers will identify 30-50 companies across three core themes, covering around 1 000 companies globally, that are engaged in improving aquatic, terrestrial and urban ecosystems services, through their products, services or processes.

1. Size at the first close further details available [here](#).

2. Please note that this strategy only partially addresses biodiversity related challenges.

3. Please note that this strategy only partially addresses biodiversity related challenges.



6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

We believe that 'walking the talk' is critical to achieving excellence. As a sustainable asset manager, our corporate practices and disclosures should match or exceed the standards we expect from the entities in which we invest. Not only will this reduce our negative impacts on society; it helps build a culture that is consistent with our investment philosophy.

We believe that immersing our employees in a more sustainable work environment will help them to more authentically incorporate sustainability principles into their day-to-day activities, whether that is in investments, sales or operational roles. Accordingly, we manage the biodiversity impacts of our operations and engage with our employees and the industry on this key environmental challenge.



EMPLOYEE ENGAGEMENT

- 140 ESG Champions within our Global Client Group and Investment teams are at the heart of our sustainable transformation
- As of end of 2023, 83 employees have participated in half-day workshops (or 'fresques') on biodiversity and the circular economy. The biodiversity workshop walks participants through biodiversity issues and pressures based on the IPBES report



- We regularly organise training sessions dedicated to biodiversity. In 2023, we hosted one with CDP and one with Iceberg Data Lab on biodiversity footprint methodology
- We offered gardening workshops to our employees on the grounds of our head office in the region of Paris
- Green Monday sessions with employees throughout the APAC region
- Organised numerous shoreline and park cleanups for employees around the world
- 3 933 hours volunteered by our employees in 2023, many of which were related to environmental causes
- Increased the number of vegetarian meal options at our company cafeteria; increased the use of organic food.

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..... **PARTNERSHIP**

- We hosted a global learning session in partnership with CDP on Nature and Biodiversity to help our employees understand the difference between the two and why we must act urgently on these topics.



..... **FUNDING**

- CDP biodiversity metrics (2021-2022)
- Nature Action 100 corporate benchmark (2023)



..... **ZERO WASTE**

- Conducted a waste audit on our operations
- Teamed up with Surfrider Foundation to run zero-waste workshops for employees, including on how to make their own natural soaps and other household cleaners
- Rolled out 3StepIT with France to provide a second life to our used IT assets



..... **WHAT WE LEARNED FROM THESE INITIATIVES**

- Education is one of the biggest levers to drive change within BNPP AM
- Our brand and culture are already embedding biodiversity considerations, but it is a long journey
- Next step is to move from a biodiversity-aware mindset to a biodiversity-protection attitude from all our employees in their professional activity.

CONCLUSION

We hope this document helps you to better understand the concrete measures BNPP AM is taking to protect and restore biodiversity.

We know what our priorities are between now and 2025. Our objective is that our progress in implementing BNPP AM's biodiversity roadmap will also guide others on their own journey.

One of our main priorities is to equip our investment teams with the best biodiversity data to guide their decision-making. Given that data limitations and gaps still exist, we intend to invest more time providing our investment teams with dedicated biodiversity training, focusing on what is most material to them by taking into account their sector, asset class and geographical focus.

Other priorities by 2025 include new sector deep dives and research on numerous thematic fronts. When it comes to a mature investment theme such as water, we will seek to bring to our analysis more context and consideration of specific locations.

On the ocean theme, we are counting on data providers to take seriously our (and other investors') calls to help provide the independent, reliable data we need to complement our own internal ocean sector framework so that we can improve our decision-making.

Understanding the relationship between planetary boundaries and food systems is another area that we will continue to explore. Agriculture is the focal point of many serious biodiversity impacts, making it a priority investment theme if we are to accelerate its transition.

Finally, plastics and chemicals are also important sectors that span our 3Es. They are gaining momentum on policymakers' agendas and, without question, require increased investor attention. We look forward to continuing our focus on biodiversity in order to deliver our commitment to clients, in our role as the sustainable investor for a changing world.



APPENDIX

This table presents an initial mapping of BNPP AM's approach to biodiversity to the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). This does not aim to provide a comprehensive TNFD-aligned disclosure but aims to underline that BNPP AM's approach to biodiversity is broadly consistent with the TNFD recommendations.

TNFD DISCLOSURE RECOMMENDATION	GOVERNANCE
<p>A. Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.</p>	<p>Sustainability report 2023 p15 Our governance system ensures board oversight of the implementation of the Global Sustainability Strategy (GSS) and our business strategy, which includes the biodiversity roadmap.</p>
<p>B. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities</p>	<p>Sustainability report 2023 p15 Our governance system ensures executive-level oversight of the implementation of the Global Sustainability Strategy (GSS) and our business strategy. BNPP AM Biodiversity lead is in charge of driving the implementation of the biodiversity roadmap.</p>
<p>C. Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.</p>	<p>Responsible Business Conduct</p>



TNFD DISCLOSURE RECOMMENDATION	STRATEGY
<p>A. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.</p>	<p>Biodiversity Roadmap</p>
<p>B. Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.</p>	<p>Biodiversity Roadmap</p>
<p>C. Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.</p>	<ul style="list-style-type: none"> • Biodiversity Roadmap, p20 on water stress exposure by 2040 • Research paper on conversion of natural ecosystems, p25 on what if corporates 'walk the talk' on their sourcing commitments by 2030 • Inevitable Policy Response Quarterly Forecast Tracker is discussed with investment teams each quarter (includes a land use policy tracker)
<p>D. Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.</p>	<p>Responsible Business Conduct and page 9 of this document for location specific criteria in our agriculture, oil & gas, palm oil and wood pulp policies.</p> <p>We continue to conduct research on the subject, example includes our Water footprint analysis 2021 p16-24, our published research paper on conversion of natural ecosystems, our WWF Risk Filter pilot, and the publication from Planet Tracker seafood case study.</p>



TNFD DISCLOSURE RECOMMENDATION

RISK AND IMPACT MANAGEMENT

A.i. Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.

[Sustainability report 2023](#) p108-109 on CSR

- [Biodiversity Roadmap](#) p12-14
- p12-13 on our biodiversity data integration journey
- [Responsible Business Conduct](#) and page 9 of this document for location specific criteria in our agriculture, oil & gas, palm oil and wood pulp policies.

For project-level analysis, such as mining, infrastructure or real estate, we have embedded a protected area screen using [IBAT](#) based on proximity, given we usually have access to the GPS coordinates of the project that we consider for investment.

A.ii. Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).

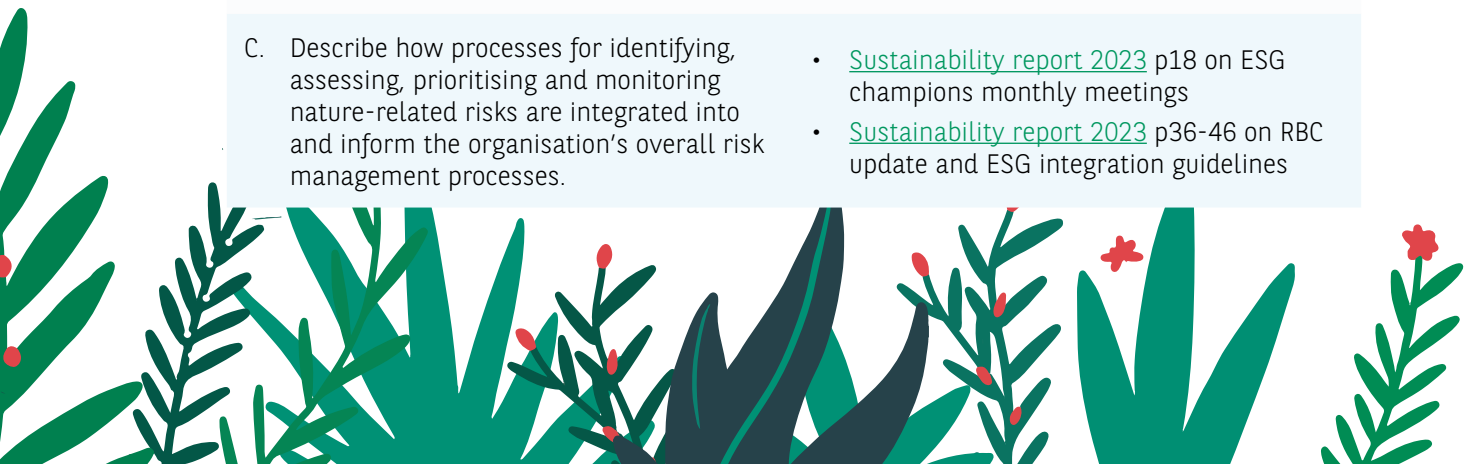
For corporate-level analysis, our protected area screen relies on a combination of data partners, such as IBAT, [TRASE](#), [SPOTT](#), [WWF Biodiversity Risk Filter](#), [Sustainalytics](#) and third-party reports. We have an ongoing discussion with data providers to make the most of the latest investor-friendly data solutions. Since location and supply chain data is usually only partially available, we are aware that we need to progress in our understanding of our potential exposure to protected areas. For this reason, we continue to conduct research on the subject (see our published research papers on [conversion of natural ecosystems](#) and on [WWF Risk Filter pilot](#), and one published by Planet Tracker [seafood case study](#)).

B. Describe the organisation's processes for monitoring nature-related dependencies, impacts, risks and opportunities.

- p12-13 on our biodiversity data integration journey
- [Inevitable Policy Response Quarterly Forecast Tracker](#) is discussed with investment teams each quarter (includes a land use policy tracker)

C. Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.

- [Sustainability report 2023](#) p18 on ESG champions monthly meetings
- [Sustainability report 2023](#) p36-46 on RBC update and ESG integration guidelines



TNFD DISCLOSURE
RECOMMENDATION

METRICS AND TARGETS

<p>A. Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.</p>	<p>3E's (since 2021):</p> <ul style="list-style-type: none"> • Spoke at 83 biodiversity-related events • 83 media interactions such as print, online or TV (7 in Asia, 31 in Europe, 45 in North America) • 8 whitepapers published (see p27) • 7 biodiversity-related podcasts, 5 videos and 29 articles, 95 LinkedIn posts with an average engagement rate of ~7% on our top 10 posts <p>ESG integration:</p> <p>Coverage rate by asset class by main data provider: ~75% corporates and ~94% sovereign for BNPP AM Europe. LEC 29 2023, p47-48 (in French)</p> <p>Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas: 4%. PASI statement 2024, p17-18</p> <p>Stewardship:</p> <ul style="list-style-type: none"> • Participated in 538 biodiversity-related engagements since 2021, of which 172 in 2024 • Participated in 4 biodiversity-related collaborative engagement initiatives • Supported 100% of biodiversity-related shareholder resolutions (2023 voting season) <p>Product range: ~EUR 0.7 billion invested in biodiversity-related (directly or indirectly) funds</p> <p>CSR: 83 employees participated in the 'biodiversity fresques'</p>
<p>B. Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.</p>	<p>Dependencies: page 13</p> <p>Impacts: page 14</p> <p>TNFD FI.CO.O – Exposure to sectors: ~15% of BNPP AM assets under management are exposed to a defined set of sectors considered to have material nature-related dependencies and impacts, as per TNFD recommendation</p> <p>Scope: BNPP AM Corporate equity and debt, publicly listed. Note: We used NACE Rev 2 – 4-digit codes as per TNFD recommendation</p>



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VIEWPOINT



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