

BNP Paribas CIB and BNP Paribas Cardif finalise inaugural structured social index-linked bond

- **BNP Paribas has issued its inaugural €50 million Social Bond, tracking the MSCI Eurozone Social Select 30 index.**
- **This structuring will enable investors to engage on social impact and supports social causes through a donation mechanism embedded into the transaction structure.**
- **The transaction was structured by the Global Markets business of BNP Paribas CIB and invested in by the insurer BNP Paribas Cardif.**

To extend its sustainable offer and meet investors demand for social investment, BNP Paribas CIB has developed an integrated offer composed of three distinctive features: a social bond, a social index and social sharing through donations:

Social Bond: BNP Paribas developed a Social Bond Framework where proceeds of Social Bonds issued by BNP Paribas are used to finance or refinance assets and projects that deliver positive social impact. This includes access to employment, equal opportunities, access to housing, access to education, access to healthcare.

The Framework's verification process is reviewed by two independent third parties: an ESG rating agency providing a Second Party Opinion on the Framework's social credentials and an external auditor verifying the eligible social asset pool. The common pool of Eligible Social Assets is defined by the BNP Paribas Social Bond Committee in line with the International Capital Market Association (ICMA) Social Bonds Principles.

Social Index: the Social Bond performance tracks the MSCI Eurozone Social Select 30 index. BNP Paribas CIB's design of the index provides exposure to companies both mitigating their activities' negative impact on society, whilst integrating ambitious social goals.

This index, starting from the 80 largest market capitalisations in the Eurozone, selects the 30 companies contributing to at least one of the United Nations' Sustainable Development Goals (SDGs) focused on social issues (Goals 1, 2, 3, 4, 5, 8, 10 and 16)¹, while not harming any other social SDG, and ensures that investee companies follow good governance practices.

Social Donations Mechanism: a part of the total amount invested is donated to associations supported by the BNP Paribas Group. These focus on associations acting in various social impact areas such as equal opportunities, social insertion and humanitarian relief.

Partners are selected by BNP Paribas Company Engagement division and have undergone due diligence by BNP Paribas CIB Global Markets. Partners include: Habitat & Humanisme, Sport dans la Ville, Article 1 and Rescue & Recover Fund (RedCross, Doctors without Borders, Care). In this instance the supported associations are Article 1 and Sport dans la Ville.

¹ Goal 1: No Poverty, Goal 2: Zero Hunger, Goal 3: Good Health and Well-being, Goal 4: Quality Education, Goal 5: Gender Equality, Goal 8: Decent Work and Economic Growth, Goal 10: Reduced Inequality, Goal 16: Peace and Justice Strong Institutions.



BNP Paribas has been deploying initiatives to support financial and social inclusion for over 30 years. The Group has notably been involved in offering broader access to banking, savings and funding products, alongside leading in microfinancing globally. The launch of the Social Bonds programme and this latest structured sustainable finance innovation are a continuation of BNP Paribas commitment to support social causes, social businesses, youth, people living in disadvantaged areas, and those excluded from financial services.

Constance Chalchat, Chief Sustainability Officer for Global Markets and Head of Company Engagement, BNP Paribas CIB highlighted: *"This latest development in sustainable finance innovation highlights the important role capital markets can play in supporting social inclusion through aligning social investment objectives, a social assessment methodology with the bond and index, and material social causes. These evolutions are essential in BNP Paribas improving the accessibility of financial services, diversity and equality towards a more inclusive economy and society."*

Olivier Héreil, Deputy CEO in charge of asset management, BNP Paribas Cardif declared: *"We are proud to support the launch of this social integrated offer. As a responsible investor, it reinforces our commitment to combining financial performance and positive social impact."*

Notes to editors

Please visit our [investor relations](#) website for more information on our social bond framework.

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About BNP Paribas

BNP Paribas is the European Union's leading bank and key player in international banking. It operates in 65 countries and has nearly 190,000 employees, including nearly 145,000 in Europe. The Group has key positions in its three main fields of activity: Commercial, Personal Banking & Services for the Group's commercial & personal banking and several specialised businesses including BNP Paribas Personal Finance and Arval BNP Paribas ; Investment & Protection Services for savings, investment and protection solutions ; and Corporate & Institutional Banking, focused on corporate and institutional clients. Based on its strong diversified and integrated model, the Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, BNP Paribas has four domestic markets: Belgium, France, Italy and Luxembourg. The Group is rolling out its integrated commercial & personal banking model across several Mediterranean countries, Turkey, Eastern Europe as well as via a large network in the western part of the United States. As a key player in international banking, the Group has leading platforms and



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business lines in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific.

BNP Paribas has implemented a Corporate Social Responsibility approach in all its activities, enabling it to contribute to the construction of a sustainable future, while ensuring the Group's performance and stability.

About BNP Paribas Cardif

The world leader in bancassurance partnerships and creditor insurance, BNP Paribas Cardif plays an essential role in the lives of its customers, providing them with savings and protection solutions that let them realize their goals while protecting themselves from unforeseen events. As a committed insurer, BNP Paribas Cardif works to have a positive impact on society and to make insurance more accessible. In a world that has been deeply transformed by the emergence of new uses and lifestyles, the company, a subsidiary of BNP Paribas, has a unique business model anchored in partnerships. It co-creates solutions with more than 500 partner distributors in a variety of sectors (including banks and financial institutions, automotive sector companies, retailers, telecommunications companies, energy companies among others), as well as financial advisors and brokers who market the products to their customers. With a presence in 33 countries and strong positions in three regions – Europe, Asia and Latin America – BNP Paribas Cardif is a global specialist in personal insurance and a major contributor to financing for the real economy. With nearly 8,000 employees worldwide, BNP Paribas Cardif had gross written premiums of €32.6 billion in 2021.



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