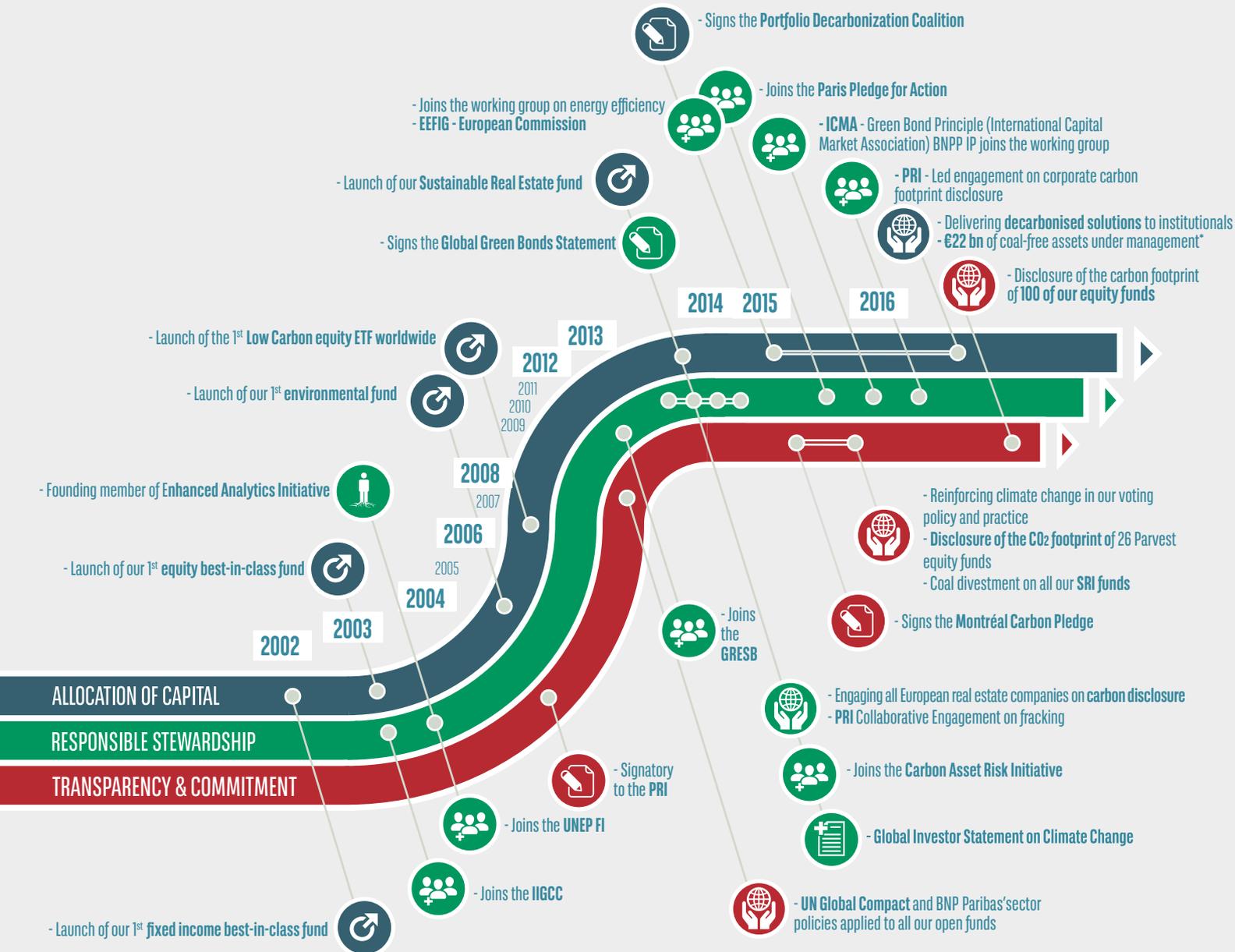


ON THE ROAD TO LIMITING GLOBAL WARMING ▶ **BELOW +2°C** ▶

BNP Paribas Investment Partners acknowledges the need for the economy to shift towards below + 2°C trajectory. We believe that exceeding 2°C can represent a threat to economic stability and, as a result to financial investments in the long run.

We are committed to taking action towards tackling climate change in line with our fiduciary duty to protect the value of our clients' investments. Ever since 2003, when BNP Paribas Investment Partners joined the Institutional Investors Group on Climate Change (IIGCC), we have been working individually and collectively to limit climate change.

Our climate change strategy is three-fold: (i) allocation of capital, (ii) responsible stewardship and (iii) transparency & commitment.



* As at 30/09/2016



**BNP PARIBAS
INVESTMENT PARTNERS**

The asset manager
for a changing
world

ON THE ROAD TO LIMITING GLOBAL WARMING ▶ **BELOW +2°C** ▶

AN OVERVIEW OF OUR ACTIONS

ALLOCATION OF CAPITAL

Our fiduciary objective as an investor is to ensure the **sustainability of our investments' returns and mitigate risk**. We are also committed to providing our clients with a thorough analysis of climate change impacts in their investments, and to offering a wide range of solutions to meet their requirements.

BNPP IP is committed to developing its **low-carbon product offer**, currently amounting to €22 billion* and including:

- ▶ Thematic equity funds
- ▶ Best-in-class funds
- ▶ Low carbon ETF
- ▶ Green bonds

We also offer customised investment solutions to institutional investors engaged in decarbonising their portfolios.

TRANSPARENCY & COMMITMENT

- ▶ **Implementation of UN Global Compact Principles:** voluntary initiative for companies that are committed to aligning their operations and strategies with ten principles, including environment (Principles 7, 8 and 9).
- ▶ **Implementation of sector policies:** Currently, four sectors linked to the climate change angle are affected: mining, palm oil, agriculture and coal-fired power generation.
- ▶ **PRI Montréal Carbon Pledge:** measuring and publicly disclosing the carbon footprint of our equity funds.
- ▶ **Portfolio Decarbonization Coalition:** taking action to decarbonise portfolios. Divesting our SRI funds from thermal coal mining and some utilities.

* As at 30/09/2016

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the funds described being in risk of capital loss. There is no guarantee that the performance objective will be achieved.

RESPONSIBLE STEWARDSHIP

Engagement is key to our commitment to responsible stewardship. We make active use of our voting rights and climate change risks are incorporated in our voting policy. Much of our engagement is conducted with other investors. We are active members of the Institutional **Investor Group on Climate Change** (IIGCC), the **Principles for Responsible Investment** (PRI) and the **United Nations Environmental Programme** (UNEP).

- ▶ **IIGCC:** BNPP IP is active in three working groups: the property working group, corporate programme and the policy group. Examples include the **Carbon Asset Risk Initiative**, engaging with oil and gas companies exposed to potential stranded assets and the **Global Investor Statement on Climate Change** which sets out steps that institutional investors can take to address climate change, and calls on governments to support a new global agreement on climate change.
- ▶ **UNEP FI property group:** informing and sharing information with policy-makers on the appropriate policy and regulatory framework for Responsible Property Investment practices.
- ▶ **GRESB** (Global Real Estate Sustainability Benchmark): engaging all European real estate companies on carbon disclosure.
- ▶ **EEFIG & sub-group g20 France:** participating in the Energy Efficiency Financial Institutions Group (EEFIG) convened by the DG Energy of the European Commission. The objective is to promote the right policies and practices that will drive new finance for energy efficiency investments. A sub-group has been developed in France, the G-20, with the same objective.
- ▶ **PRI - Led engagement** on corporate carbon footprint disclosure. Engaging in dialogue with companies that do not disclose their carbon footprint.



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