



FOR A JUST TRANSITION

SUSTAINABILITY REPORT

2023

Promote access to more responsible
& sustainable consumption,
to support our customers & partners.



BNP PARIBAS
PERSONAL FINANCE



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Editorial

Although we saw the early stages of an upturn in the European economy during 2023, we still face many challenges, including political tensions, energy transition and transformational changes in our markets. At the same time, these challenges are driving higher expectations from our partners and regulators. In this context, the publication of the Corporate Sustainability Reporting Directive (CSRD), which aims to increase the transparency and quality of corporate information reporting, introduces a change.

The BNP Paribas Group has been moving in this direction for a number of years now, and has reiterated this commitment in its 2024 Climate Report, which introduces the new milestones on the way to carbon neutrality by 2050.

In the same spirit, BNP Paribas Personal Finance is continuing its transformation to consolidate its leading position in the European consumer credit market, and has renewed its commitment to promote access to a more responsible and sustainable form of consumption. From customers to partners and employees, every stakeholder in the BNP Paribas Personal Finance ecosystem has an essential contribution to build this world of more sustainable consumption.

I would like to congratulate them all and take this opportunity to acknowledge their commitment to achieving this just goal, which restores the company's role for the society, as well as for the economy.

Sustainable finance bears an increasing weight of our outstanding, and now totals €8.9 billion. Of all the reasons to be proud of our company, one really stands out: the securitization deal developed out of the close working relationship between the teams of BNP Paribas Personal Finance and BNP Paribas Group, and launched in conjunction with the European Investment Bank (EIB) group. The first of its kind to involve consumer credit outstanding, this transaction came about as a result of our historic and ongoing commitment to the home energy transition.

The road to a Just Transition is long and poses many challenges, but we are totally committed to combining economic performance with positive impact. Over the next few years, we'll be developing our sustainable finance outstanding in 3 key areas: sustainable mobility, the home energy transition and financial inclusion.

This year's report summarizes our actions and commitments 'For a Just Transition', so let's continue to focus all our efforts on delivering that transition: I'm counting on you!



Charlotte Denny
Director and Chief Executive Officer



Scan to view our manifesto

Overlapping perspectives



Vincent Sussfeld
Deputy CEO, Head of Global Business Lines



Miruna Senciuc
Chief Sustainability Officer

In this interview, Deputy CEO, Head of Global Business Lines, Vincent Sussfeld and Chief Sustainability Officer Miruna Senciuc explore the challenges facing BNP Paribas Personal Finance, and set out the strategies and practical actions implemented as part of our quest for an increasingly Just Transition.

Could you begin with an insight of the analysis of sustainable finance outstanding granted by BNP Paribas Personal Finance, and the progress made by the company on sustainable mobility and the home energy transition?

Vincent Sussfeld — Definitely. We've been measuring our sustainable finance outstanding in the 2 key areas of sustainable mobility and the home energy transition since 2019. The progress we've made so far raised the total amount of sustainable finance outstanding to €8.9 billion by the end of 2023. Sustainable mobility accounts for €4.9 billion of that total, where growth has been driven in part by our recent partnership with Stellantis. Of this €4.9 billion, €2 billion is allocated for plug-in hybrid vehicles emitting less than 50g of CO₂/km, as required by the current European taxonomy for sustainable activities.

Miruna Senciuc — And in the home energy transition sector, our expertise is being consolidated through a series

of strategic partnerships. 2023 was the 20th anniversary of Domofinance, our joint venture with EDF, and the renewal of our partnership to continue providing valuable support for the home energy transition. I'm also delighted that Spain was able to join the Group's green bond program, following the increase in these home energy transition outstanding.

BNP Paribas Personal Finance clearly wants to promote a more responsible form of consumption, while ensuring that as many people as possible have access to it. So what will be your key points of focus for achieving that?

M. S. — As Vincent mentioned, we have the ability to identify our sustainable outstanding in terms of mobility and home energy transition. We can do that because there are clear and precise definitions of what we are financing, but we must also be able to measure our financial inclusion outstanding.

V. S. — This is actually an essential characteristic of our business DNA. Our Cetelem brand was originally created to help people who were struggling to buy the household appliances they needed. So our goal for 2024 is to clearly define the criteria for financial inclusion so that we can identify which actions meet these definitions for inclusion in our sustainable finance portfolio.

How are you helping your customers and partners to transition to the low-carbon world?

V. S. — Our partners and customers face complex challenges around embracing the ecological transition. Demand is growing from our customers for solutions that enable responsible consumption without compromising the need for balanced household budgets. In meeting such expectations, our role is to help them make their choices by providing them with decision support tools. This is precisely what we're doing under our partnership with Effy, where the aim is to help customers with their home energy upgrading projects. All our stakeholders must also transform their manufacturing models to align with more eco-friendly practices, which our automotive industry partners have already done, for example.

M. S. — Our business has always been built around stable and substantial partnerships, so it's only natural that we should work closely with our partners to succeed in the challenges of delivering the Just Transition. We're totally tuned in to the new expectations around consumption, and are working closely with our partners to transform the usage economy through rental offers. We're convinced that collabora-

tion is key to helping as many people as possible make the transition.

What do you see as the key challenges for the year ahead?

V. S. — Our central goal is to maximize our sustainable finance outstanding around sustainable mobility, the home energy transition and financial inclusion, and our strong culture of partnership will make a substantial contribution ensuring that we deliver these projects successfully. The commitment of our people has always been a key factor, and I know we can rely on them to continue working closely with our partners to help them deliver their own transformations, at the same time as meeting the expectations of our customers and markets. We're progressing in the initiatives already launched at regional level, and selecting the most impactful ones for upscaling to help us promote and facilitate the Just Transition.



We're seeing a growing demand for solutions that enable responsible consumption without compromising the need for balanced household budgets.

Vincent Sussfeld

Key accomplishments in 2023

1 Be exemplary as a company and employer



Environment
1.02 ton
 greenhouse gas emissions
 per employee/per year
 (vs. 901 kg in 2022)

Training
11,160
 hours of training per year dedicated
 to sustainable development

Gender equality
36%
 of senior management positions
 are held by women
 (35% in 2022)



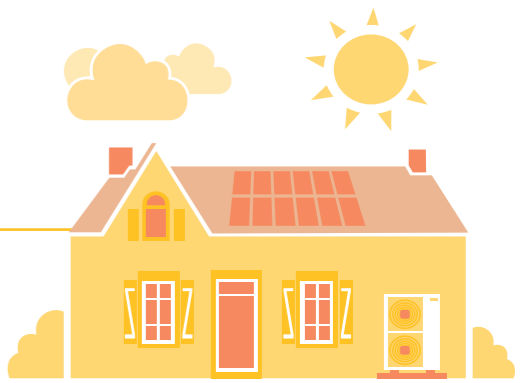
3 Using our expertise to make a positive impact beyond our business in our fields of expertise

Volunteering
44,817
 solidarity hours as part
 of the #1MillionHours2Help
 program
 (52,965 solidarity hours
 in 2022)

Financial education
59,200
 young people sensitized
 to financial education
 (59,000 in 2022)

Digital inclusion
4,220
 people trained
 in digital skills
 (vs. 2,000 in 2022)

2 To transform our business activities, models and offerings

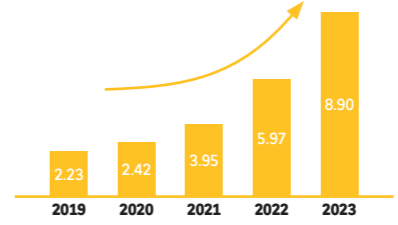


Energy transition
€4bn
 of outstanding to finance
 the energy transition in housing
 (€3.6bn in 2022)
 including **€2.78bn**
 to finance renewable
 energies

Sustainable mobility
€4.9bn
 of outstanding to finance
 sustainable mobility
 (€2.4bn in 2022)
 including **€2.65bn**
 to finance
 electric cars



Sustainable financing
€8.9bn
 in outstanding
 (€6bn in 2022)



Europe's leader in retail financing

18,500
 employees around the world



28
 Countries



23 million
 customers worldwide



€108 billion
 outstanding



€5.16 billion
 in net banking income



Be exemplary as a company and employer

In 2023, **85%** of our employees said they felt comfortable with hybrid working*



Making our contribution to a just transition is central to the company purpose of BNP Paribas Personal Finance. As a company and employer that leads by example, we actively manage our credit portfolio and direct greenhouse gas emissions to ensure that we have a neutral impact on the environment. This commitment goes hand in hand with providing a sustainable, equitable and inclusive working environment, facilitated primarily by our Smart Working program under which we create working conditions that maximize employee engagement and skills, at the same time as delivering exemplary training and management initiatives underpinned by a hybrid work model designed to meet the expectations of our people. All of which boosts our employer appeal, makes us more efficient and gives our teams greater autonomy and organizational flexibility.

Create a sustainable, fair, and inclusive workplace.

BNP Paribas Personal Finance sees providing its people with a sustainable, equitable and inclusive working environment as key to its transformation and performance. So we provide a range of exemplary training and management initiatives in conjunction with hybrid working and conditions that maximize employee commitment and skills.

11,160
hours of sustainable development training provided annually, and **3,701** employees already trained.

In total, that's **352,192** hours of training for **16,281** employees.



The societal challenge of supporting employee caregivers



Christine Lamidel
CEO and Founder of Tilia

On average, 20% of french employees in any company are already caregivers or are likely to become caregivers at some point in the future. All of these companies therefore face a very real challenge, and one that requires practical solutions that make everyday life easier for these individuals. Tilia CEO and Founder Christine Lamidel updates us on this situation, options for support schemes, and the help that BNP Paribas Personal Finance's social business can provide.

Who are the caregivers?

Everyone has the potential to become a caregiver. Estimates suggest that this trend affects 11 million people in France, which equates to 1 in every 6. And this figure is increasing all the time. Caregivers provide regular help for family members or friends who lose their independence as a result of disability, illness or advancing age. The central problem is that those concerned don't always think of themselves as carers, because they feel like they are only doing the natural thing. Nevertheless, caring regularly for a loved one, often over a very long period, deserves recognition & support, because this level of commitment can be very demanding. Even caregivers may need a bit of help!

What kind of challenges do they face on a daily basis?

On average, 20% of a french company's employees are caregivers, so they have to learn how to balance their working lives with care provision. Being a caregiver can be time consuming, and some people may have to adjust or even reduce their working hours. But regardless of the precise circumstances, the responsibility is stressful, tiring and mentally taxing, all of which can impact their health over the long term. These effects can be further compounded by financial concerns, especially when a caregiver has to reduce their working hours or stop working entirely. In general terms, it's fair to say that no one is ever really prepared for becoming a caregiver!

What are the implications for employers?

Employee caregivers are always going to need time to care, but unplanned absences can be disruptive for their team. Added to which, as we've already seen, caregivers are often stressed and tired, which can compromise their ability to concentrate, with all the knock-on effects that can have on company performance. And then there's also the fact that they may have to cut back on lunch breaks or avoid social contact simply to cope with their workload. Over time, their health may begin to deteriorate to the point where they need sick leave.

However, there are legal provisions in place to help caregivers.

Fortunately, recent changes in french legislation have gone a long way to ensuring that better account is now taken regarding the needs

of employee caregivers. In France, these include family support leave to provide end-of-life care for a family member; parental care leave to look after a child who needs day-to-day care; and family caregiver leave to help an increasingly dependent relative. Subject to certain conditions, all of these schemes may be eligible for financial support.

What additional solutions can companies offer?

Companies have a broad range of options available to help employee caregivers: flexible working hours, more hours of remote working, changes of responsibility, retraining, sabbatical leave for personal reasons, the use of a time savings account, restructuring the team to include a back-up, and gifting additional time off by matching the employee leave allowance. Where such solutions are offered, 67% of employee caregivers make use of them (2020 Aider & Travailler survey) and agree that they are effective ways of helping them keep their jobs. None of these solutions is totally satisfactory in itself, but the trend is definitely encouraging.

What can Tilia offer companies?

Our mission is to facilitate improved inclusion of employee caregivers. We help companies, and more specifically their human resources departments, to identify the individual situations of their employee caregivers, and analyze their needs. We also offer awareness-raising information sessions for all company stakeholders—HR, managers and employees—and provide practical help for employee caregivers through our individual support scheme. It's important to get people talking to create a virtuous circle of contact that changes people's perspectives of care provision. It's essential to create a culture of caring and facilitate the emergence of a climate of trust.

What are the benefits for users of this scheme?

Depending on their needs at the time and the urgency of the situation they find themselves in, users can receive individual support from our social counselors and personal assistants. Users speak directly by phone with one of our social counselors, who will assess the situation and prepare a personal action plan. Our personal assistants can then help with identifying providers of personal services who can give their vulnerable relatives the practical help and support they need. The mobile app also centralizes all the information about the person receiving the care, so that it can be readily accessed by the caregiver and up to 3 other trusted family members. Lastly, users of our scheme can also attend group events addressing issues relevant to them, from respite to psychological support, home security, legal protection, mindfulness and meditation. All provide the opportunity for caregivers to live more comfortably with their responsibilities through the ability to chat with fellow caregivers and professionals! In other words, it's essential to give caregivers the means to carry out their professional activities while still being able to care for their loved ones, without feeling guilty or having to make choices!

JOB RETENTION

Signature of the Cancer@Work charter: making it easier to talk about the disease

Every day, 1,200 people in France receive a cancer diagnosis, and 400 of them are actively working. BNP Paribas Personal Finance is the first entity in the BNPP Group to sign the Cancer@Work charter. We are committed to taking practical action to facilitate the inclusion and continued employment of people directly or indirectly affected by cancer or other chronic disease. This commitment is built around three key milestones on their treatment pathway: diagnosis of the disease, leave for treatment and the return to work. We are committed to providing people with awareness-raising information that increases their knowledge and changes their perceptions of the diseases concerned, with the ultimate aims of creating a supportive environment for affected employees and caregivers, and raising awareness among human resources team members and company managers of the challenges posed by these diseases as the basis for encouraging the adoption of appropriate responses.



DIVERSITY & INCLUSION

Zero tolerance for racism

The results of an internal survey show that 80% of employees are in favor of our BNP Paribas Personal Finance Diversity & Inclusion policy. As part of reasserting our commitment to push back against racial discrimination, we have given employees the opportunity to tell us directly how they feel in a video. Everyone who appears on screen talks in their own language about how we should deal with racism. So whether that language is Wolof, English, Vietnamese or Arabic, the aim is always zero tolerance for racial discrimination.

“Let's adopt a policy of zero tolerance for racism by... putting an end to microaggressions about origins.”

Coumba Ba
(Translated from Wolof)

“Let's adopt a policy of zero tolerance for racism by... respecting each other's beliefs and customs.”

Quoc Hai Bach
(Translated from Vietnamese)

COMPANY NETWORKS

Diversity in Action

Our internal diversity and inclusion networks play an essential role in promoting equality and respect for diversity within our company. They involve a large number of employees, provide discussion and co-construction forums, and work closely with the Human Resources Department to promote awareness of these issues. For example, Ex aequo (France) and Findomestic Donna (Italy) are both working to promote gender parity and female leadership. Other networks include Ability, a listening, sharing and mutual support group for employees with disabilities, BNP Paribas Pride, which works to create a professional and social environment that enables everyone to achieve their full potential, regardless of gender identity, and CulturAll France, which was formed in 2011 as a meeting space for professionals who share an affinity with the African continent.



DISABILITY INCLUSION

Committed to the inclusion of people with disabilities

7.64% employees with disabilities in France

We signed our 5th disability agreement (2024-2027), reaffirming our commitment to direct and indirect employment, as well as to the integration and retention of people with disabilities.

To promote inclusive recruitment in Portugal, in 2023 we launched the We Include program in partnership with Associação Salvador and Valor T, which also raises awareness among employees and managers via dedicated workshops and newsletters.



GENDER EQUALITY

Lucine: shining a light on women in Tech careers

There are too few women working in Tech: figures for 2022 show that they accounted for only 22% of the digital workforce across Europe. But at BNP Paribas Personal Finance, 37% of our IT staff are women. To continue the process of encouraging more women into Tech careers, our CIO Carine Ivanenko led the launch of the Lucine mentoring program, which is designed to raise awareness generally, and support women in developing their careers. The 10 participants in the program will receive four months of intensive mentoring, as well as training modules focusing on our strategic priorities of cloud computing, marketplace, etc. The program has twin aims: to raise collective awareness of the ongoing need to promote diversity in Tech, and help those women already involved to become more assertive and influential internally and externally as part of helping them develop their careers and ensure they remain with the company.

“Previously, I didn't dare take on a project if I didn't tick all the boxes, but now I do. [...] When we joined, we had a 'no daring' mindset, but we left the program convinced that we're as good as anyone else at the job. We're more confident now, and ready to move our careers forward.”

Caroline Breyne
COE Lead in charge of Testing at IT France and member of the Lucine program

SEXISM BAROMETER

The #StOpE 2023* survey

As a signatory of the #StOpE initiative and as part of our actions to combat sexism, we took part in the new survey on everyday sexism conducted in 2023. 20% of our employees responded. It provided an excellent opportunity to remind everyone of the measures already in place to combat sexism, which include dedicated helplines, e-learning modules on sexism in the workplace and sexist stereotyping, and videos to raise awareness of everyday sexism. We also continue to monitor and measure the impact of all these initiatives.

8/10

women, said that sexist attitudes and decisions are a regular occurrence at work.

50%

of men have already heard judgments about women exercising responsibilities.

* The second #StOpE survey conducted in 2023 brought together 15 participating organizations and around 90,000 respondents.

GENDER EQUALITY

41%

of COMEX members are women in 2023 (up from 13% in 2021 and 38% in 2022)

36%

of senior management positions are held by women (57% of women in our global workforce)

57%

of our young talents are women

88/100

is our Gender Equality Index rating in France

€450,000

in funding has been allocated to closing the gender pay gap (benefiting 149 women in France)

TRAINING

The Sustainability Academy: a BNP Paribas Group training platform fully focused on sustainable development issues



At a time when the world is changing rapidly and profoundly, it's essential to develop a culture of sustainable development and keep our knowledge up-to-date.

We offer our employees a 3-stage program:

- 1**

KNOW & UNDERSTAND Sustainability Issues
- +

2

TAKE OWNERSHIP of sustainability
- +

3

ENGAGE PEOPLE AND DRIVE sustainable actions in our day-to-day work



Climate Fresk:

- 918** employee participants.
- 37** in-house Climate Fresk facilitators.



134 employees have been awarded the 'CISL Sustainability Essentials for Business' qualification on successful completion of the course.

9 employees completed the full Cambridge Institute for Sustainability Leadership program.

600 people attended the conference 'On the Frontline of Climate Change' with glaciologist Heidi Sevestre.



Going further still. In 2024, we will follow on from Climate Fresk with the rollout of two more Fresks: the **Circular Economy Fresk** and **Mobility Fresk**.



Sustainability @PF

The 'Sustainability@PF' mini-series: a series of videos explains the BNP Paribas Personal Finance sustainability manifesto and commitments in under 20 minutes.

In Germany, a giant quiz was organized to raise employee awareness of our manifesto.





The 'Engage4Impact' workshops led by in-house ambassadors.

This program invites our people to identify in their daily job the actions and behavioral changes they need to adopt and apply as part of delivering on our sustainability commitments and to demonstrate our commitments.

3,121 employees attended since the launch.

26% of the total employees. **Target:** 100% by the end of 2025.

According to the results of our latest survey:

78% of employees are aware of the commitments they can take action on every day through the jobs they do.

"The real strength of this program is that it empowers employees to take ownership of the manifesto and transform it into practical action in the workplace."

Engage4Impact Ambassador

ANTICIPATING & DEVELOPING SKILLS

Skills... the key to development

96%

of our employees have completed at least one noncompulsory training course, involving them in around 2 hours of training per month. A total of 352,192 hours of training were delivered in 2023 (including compulsory training). Improving and encouraging employee skills and knowledge development is essential not only for career enrichment, but also for securing their involvement in, and commitment to, our transformation as a company. Although the majority of our training programs are focused on technical skills, we are increasingly introducing training opportunities covering new skills in data, artificial intelligence, agile methods and sustainable development as part of promoting employability and contributing to company transformation.

UPGRADING SKILLS

Ready to Learn
+1,000

employees from 13 countries took part in the 5th French and 2nd international 'Ready to Learn' campaign. During this week-long event, they attended face-to-face or online conferences, workshops and round table discussions focusing on the skills and knowledge essential for tomorrow's world, including customer focus, consumer trends, sustainable development, agility, data & artificial intelligence (AI), adaptability and leadership.

GEEIS CERTIFICATION

In 2023, Bureau Veritas Italia renewed the GEEIS Diversity certification of Fin-domestic with a higher rating than was awarded in 2021. This label assesses the progress made on issues around professional equality and diversity.



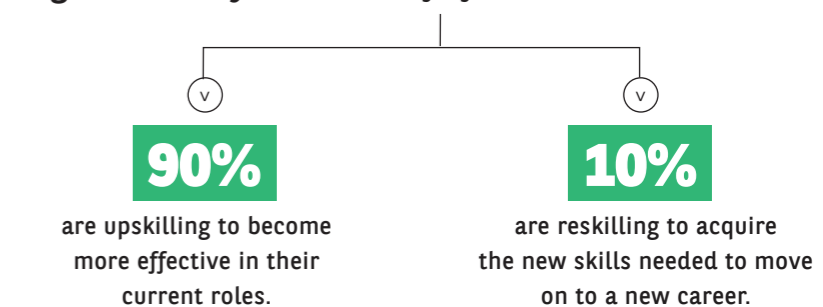
TRAINING

Data & Artificial Intelligence acculturation

Data and artificial intelligence are central to the BNP Paribas' GTS* 2025 strategic plan. A total of 961 employees have now received more than 7 hours of training around these issues.

56 international managers have successfully completed the 'Data for Managers' program delivered by Netexplo in conjunction with HEC Paris, with a Net Promoter Score of 60. **99% of trainees agreed on how useful the training has been in the jobs they do.**

+200 training licences provided by the Digital Data and Agile Academy, almost half of which relate to data.



513 employees from 11 countries have now been awarded the data-AI passport (understanding the challenges posed by AI and data in their personal and professional lives).

TOP EMPLOYER AWARD



BNP Paribas Personal Finance is certified 'Top Employer Europe' for the 4th time in a row; a fitting reward for all of the effort made to enhance the employee experience, Diversity & Inclusion, learning and development, and occupational well-being.

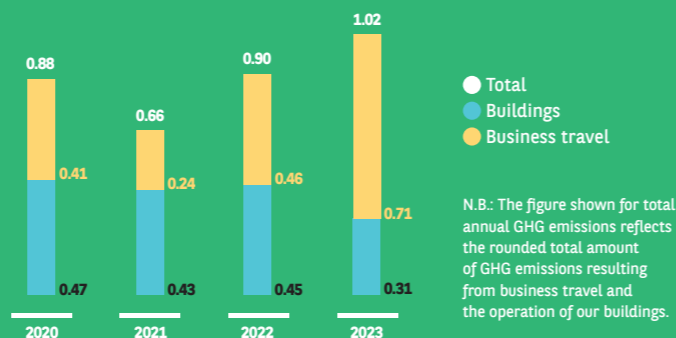
Certifications awarded in 2024 in recognition of achievements in 2023	
Spain	10 th time
Italy	8 th time
Portugal	7 th time
UK	4 th time
Belgium	5 th time
The Netherlands	1 st time
Europe	4 th time

Have a neutral impact on the environment.

We strive to lead by example in our own internal operations by optimizing our energy consumption, reducing business travel and adapting our workspaces. We are also working to reduce our digital footprint by extending the working life of our hardware and rethinking our working methods. We actively encourage our people to adopt sustainable practices and work innovatively to develop our IT systems and new products and services design processes to ensure that our actions live up to our environmental commitments.

Greenhouse Gas Emissions (GHG)

1,024 ton*
per year, per employee.



Business travel increased during the year, following the post-Covid relaunch of the business and a change of reporting scope in the UK. Our entities continue to reduce travel-related emissions by favoring rail over air travel wherever possible. The environmental impact of buildings-related GHG emissions has been reduced as a result of multiple factors, including floor area optimization, building energy-efficiency uprating and using them more economically on an everyday basis.

2 major sources of emissions



Buildings
310kg GHG
per year/per employee.



Business travel
715kg GHG
per year/per employee.

* Geographic scope: 7 countries (Germany, Spain, France, Italy, Portugal, UK and Brazil)/Belgium (Alpha credit) and PF inside Countries (Poland, Ukraine, Turkey and Morocco) are included in the Group GhG calculation (together with Fortis Belgium for Alpha Credit and International Retail Banking for PF inside countries). The GHG emission calculation per FTE, per year is country specific, and is based on 24 raw data inputs relating to the type of energy used, electricity supplier green certification, business travel mileage broken down by mode of transport, etc. The figures shown are taken from the Group CSR environmental data campaign.

Eco-design for digital services



Mathieu Wolff
Eco-design expert
at Infogreen Factory



Carole Elgoyhen
Positive IT Guild Leader

Digital technology imposes a significant environmental impact, so we need to make the best use of the tools at our disposal to minimize that impact. The way we design our IT solutions therefore gives us the opportunity to take positive action, which is why we are so committed to using eco-design for digital services. To get the inside story on this issue, we reached out to Mathieu Wolff, at Infogreen Factory which is working alongside BNP Paribas Personal Finance to develop new processes and Positive IT Guild Leader Carole Elgoyhen Eco-design expert at BNP Paribas Personal Finance.

How would you define eco-design in the context of the digital world?

Mathieu Wolff — Eco-design means working on every stage of product and service life cycles, and taking full account of the environmental impacts imposed by digital technology. In overall terms, we already know that 50% of the software functions requested by users are used only rarely or never at all. So even at this stage, there's a clear need for rationalization. Next, we need to take account of social impact by designing tools and services that reduce digital exclusion through ease of use, and even by taking the capabilities of older hardware into consideration. This socially responsible approach to design also sets out to simplify and redesign application code to reduce the cost and time of maintenance and reduce storage space, thereby consuming less energy, and generating lower levels of greenhouse gas emissions as a direct knock-on effect.

What would you say are the benefits of responsible design?

M. W. — Over and above the major benefits I've just listed—reduced maintenance, lower servicing costs, etc.—eco-design also gives us an edge in terms of gaining market share, because customers are increasingly concerned about the environmental impact of the choices they make, and act accordingly. It's also a definite benefit in terms of attracting new employees, because it's an issue of increasing concern for the IT talent community.

So how do you introduce eco-design in practice?

M. W. — Eco-design has to be applied at the very first link in the design chain. The first step is to introduce a method for challenging the stated requirements of users, and the second is to build a company-specific reference base of best practices appropriate to meeting actual needs. Eco-design must be approached pragmatically and avoid being over-ambitious: you also need to be aware of the

scope you have for maneuver. But whatever structure is adopted, every team needs to be fully aware of it, because it requires a different way of thinking that can extend even as far as business model transformation. So people need to be supported in making this change, which in turn demands a certain level of investment; at the same time, all company stakeholders need to be shown, and convinced of the potential benefits.

How do you measure the environmental impact of eco-designed services?

M. W. — The French think tank the "Responsible Digital Institute" (INR) offers a number of tools, but measuring the true impact of eco-design remains challenging. We can try to draw comparisons with existing services that have been improved in ways that reduce their impact. But regardless of that fact, I really don't think we should wait until we have more accurate measurement tools before fully embracing eco-design practices. We need to get projects off the ground now!

How did BNP Paribas Personal Finance come to embrace eco-design?

Carole Elgoyhen — We are distinctive for having invited our business teams to work together in a two-day bootcamp on developing a shared eco-design reference framework for all parts of the company (see initiative on p.19). Involving all our teams—business, marketing, IT, etc.—in working together to identify those functions essential to our customers and ensure that they're available on all device platforms is a basic requirement. We're still at the beginning of this process, but our ultimate aim is to make it a permanent feature, and support this process of change by creating a specific training program. Employees are totally on board with this initiative, because they understand that it's a great opportunity to take direct environmental action through the work they do. Ultimately, it's our expertise that will empower us to improve everyone's lives and make a positive contribution to the environment.

What recommendations would you make to companies thinking about adopting eco-design?

M. W. — My key recommendation would be an employee training program that also includes senior managers. There really needs to be a strong element of project sponsorship and decision-maker involvement to ensure that eco-design principles are fully embedded, otherwise there's a real risk that the initiative could run out of steam.

C. E. — For a successful outcome, the first thing is to get the management committee on board through dedicated training so that they have the ability to understand and validate initiatives brought forward by the teams in the future. At the same time, it's equally important to build a team of business line, IT, country and corporate experts to integrate the principles of eco-design and transform them into practical content for implementation at operational level. The Bootcamp allowed us to accelerate this stage and build a group dynamic that was then usefully applied throughout the process of building the reference framework and training program. The provision of support is essential to avoid being overcomplacent in your demands and to avoid misinterpreting the principles to be implemented.

BUILDINGS

Green Buildings: working toward more energy-efficient buildings

Our Green Buildings program is already reducing the carbon footprint of our buildings. Findomestic is the first of our subsidiaries to be awarded LEED-GOLD certification for one of its office buildings, but all its sites now have high-efficiency air conditioning systems and apply the regulations governing lighting schedules. As a result, the company has reduced its annual energy consumption by around 85 MWh.

“In 2024, we’ll be launching another ambitious project to fit LED lighting to 100% of our buildings.”

Francesco Cavaciocchi, Energy Manager.

In January 2023, the teams of Consors Finanz in Munich moved into a new energy-efficient building where presence detectors and sophisticated lighting and heating controls have contributed to its BREEAM 'Excellent' certification.



CYCLING

Soft mobility: an award-winning commitment

At BNP Paribas Personal Finance, we encourage our people to adopt eco-friendly modes of transport for their commutes. And that commitment hasn't gone unnoticed! In 2023, our Spanish subsidiary was awarded Cycle Friendly Employer (CFE) certification making it the first financial company in the country to receive this recognition. The CFE certification was developed to establish a European standard for cycle friendly companies committed to promoting cycling to their employees as an everyday form of personal transport. Our cycling employees feel great, they're saving money and feeling more fulfilled in their work, which in turn makes them more efficient. This certification also raises our profile within the Spanish cycling ecosystem.

BIKE LEASING

Company bikes: encouraging leasing

As part of encouraging our employees to cycle to and from work, we've been working with our partners to set up special leasing schemes. In France, they can visit any of our partners' shops and buy a bike under the terms of the specially negotiated leasing contract with fixed payments tailored to their personal needs.

SAVINGS FOR THE PLANET

Doing the right thing in the office

Disposable cups are a thing of the past at our head office! Since moving into our new head office building in France, we've used and disposed of nearly **4 million cups**. Now though, everyone is using mugs. That means that we no longer throw away **1,200 disposable cups** every day, saving the company **€30,000**. And to encourage us all to turn off our computers at the end of the day or when we know we're going to be away from our desks for a long period, there's nothing more effective than a 'nudge' campaign with targeted messages like "The planet says Thank You!". These may be small things, but they're really changing attitudes.

POSITIVE IT

Training decision-makers to take practical action

7 IT Management Committees out of our 9 entities received sustainable IT training in 2023*.

* The other 2 received their training in Quarter 1 of 2024.

“Digital Responsibility is everyone's business, IT professionals and IT users alike! We can all make a positive impact by rethinking our relationship with IT equipment and integrating eco-design into our projects.”

Élise Amand
Head of IT Governance and Positive IT Sponsor

POSITIVE IT

Positive IT Bootcamp: defining our eco-design rules

IT is responsible for 4% of greenhouse gas emissions, which is roughly equivalent to the figure for civil aviation. This level is due partly to the proliferation of 'bloatware', which compromises smartphone performance, drives early obsolescence and puts a strain on our company IT networks and infrastructure.



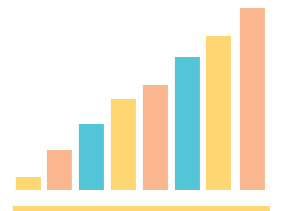
Eco-design slims down software

Reducing the environmental footprint from the very beginning of the design process is therefore crucial to limiting the environmental impact of products throughout their life cycle.



A bootcamp to set fixed criteria

The two-day Bootcamp brought a diverse group of multi-country stakeholders (from Germany, the Benelux countries, France Corporate and ITG, as well as our service centers in Romania and Spain) together with representatives of business teams (Product Owner, Business Analyst, UX/UI, etc.) and IT teams (architects, developers, testers and scrum masters) with the single aim of arriving at a matrix of criteria based on the recommendations of GR491*.



Practical outcomes

34 criteria selected on this basis are currently being tested on the redesign of a Mobility customer journey in Belgium.

A training course is also being developed with the pilot project teams in Belgium, with support from BivWak and Infogreen Factory.

* (GR491, The Handbook of Sustainable Design of Digital Services | INR (isit-europe.org))

Tomorrow's challenges

If we are to be trusted by our employees and all our stakeholders we must lead by example in terms of our own environmental and social impact. The ball is now in the court of our Executive Committee, whose members tackle these issues on a daily basis.



Carine Ivanenko
Chief Information Officer

“The Positive IT program is helping our IT teams to keep up the effort on implementing a more responsible and inclusive digital environment. Both of our Shared Service Centers were awarded the 'Responsible Digital' label in 2022. Since then we've launched our Lucine mentoring program, which focuses specifically on women in IT. We're now preparing a working framework for the eco-design and accessibility of digital services. It will ultimately ensure the widespread adoption of more sustainable IT practices that will benefit our business lines and improve accessibility for our customers.”



Gilles de Wailly
Chief Operating Officer International Service Lines

“Reducing our environmental impact is one of our major challenges. But by optimizing the footprint of our buildings, offices and business travel, we've been able to make significant progress in recent years. Nevertheless, as a service company, we must also take responsibility for the environmental impact of digital technology, which accounts for a very significant proportion of our energy consumption. Which is why we signed the French Responsible Digital Charter in 2020 and introduced the Positive IT program. Data and Artificial Intelligence are at the heart of BNP Paribas Personal Finance's strategy & are essential to our sustainable finance stakes. Our ability to capture and identify data is essential to monetize our outstanding, or to be able to better serve certain types of customer. We are tackling these issues in a responsible and secure way, with respect for our customers and our company.”



Frédéric Thoral
Human Resources Director

“Sustainable development is a key priority of our corporate transformation. We understand that it's our duty to anticipate how it will impact people, by providing all our employees with appropriate training and support so that we can ourselves be proactive drivers of change.”

To transform our business activities, operating models and offers

**In 2023,
our commitment
to sustainable
finance totaled
€8.9bn, or 8.2% of our
total outstanding.**



To build a sustainable relationship with our stakeholders, we have equipped all our entities with a new evaluation tool: the impact dashboard. This ESG (Environmental, Social and Governance) dashboard, based on our industry's financial standards, tracks the results of our efforts in terms of sustainable outstanding in each country. We have defined KPIs (indicators) with precise classifications, applying BNPP Group rules based on the European taxonomy, especially for mobility and the housing ecological transition. These definitions have been shared with our subsidiaries to enhance collaboration between the Sustainable Development and Finance teams. Since 2022, we have been collecting this data on a quarterly basis, and integrating it into the dashboard monitored by General Management. We are pursuing our efforts to comply with CSRD (Corporate Sustainability Reporting Directive) regulations.



Expand access to our financial services to a broader range of customers.

Financial inclusion is integral to our DNA. We continue to work on adapting our credit-scored customer journeys to facilitate the inclusion of young people, those in temporary employment and low-income families in our financial ecosystem. By expanding our offering, we are opening the door to new opportunities that really can transform lives.

By adapting our offers to reach populations currently ineligible for credit, we are participating in financial inclusion with a social impact. This work is in line with our mission: to make our financial services accessible to as many people as possible.

4,260

customers granted €28 million
in finance through the FASTT network



INSIDE STORY

Financial inclusion driving social impact



Anne Chanon
Head of Research
and Operations
at EthiFinance
ESG Ratings



Florence Valle
Financial
Inclusion Expert

Prioritizing financial inclusion requires a considered and progressive approach. So we adopted a two-stage approach, beginning by focusing our efforts on accessibility and general financial inclusion. Our ultimate goal is then to achieve a significant, measurable and verifiable social impact.

To ensure that our products and services deliver on this ambition, we worked in partnership with EthiFinance to develop a matrix to assess the accessibility of our offering and the social impact of our initiatives.

To gain a better insight into this approach, we interviewed Anne Chanon, Head of Research and Operations at EthiFinance ESG Ratings, and Florence Valle, Financial Inclusion Expert at BNP Paribas Personal Finance.

What does financial inclusion mean at BNP Paribas Personal Finance?

Florence Valle — We've taken the recommendations of internal and external advisers and interpreted them in light of our own company purpose to define financial inclusion as a proactive and committed approach to facilitating access to a more responsible and sustainable form of consumption for people who are currently poorly served by the financial services industry. We've done so by offering solutions that meet their needs and have a positive impact wherever possible without compromising our own reasonable level of profitability. We are, of course, refining this definition further to ensure full compliance with all the relevant regulations.

What do you mean by positive social impact?

F. V. — When we use this term, we're referring to actions that result in significant or positive changes that either resolve or at least tackle social injustices and challenges in order to generate greater well-being for a particular community. For example, loans that encourage people to return to employment would be considered as having a positive social impact. Our industry is underpinned by three pillars: intentionality, or the lender's intentional desire to help generate a measurable social or environmental benefit; additionality, which refers to the specific

and direct action taken, or contribution made, by the lender to enable the borrower to benefit from a positive net impact or to increase an existing impact through the activities financed; and impact measurement, which means assessing the social and/or environmental externalities resulting from the loan relative to the impact targets set by the lender. So these are complex concepts to measure, which is why we wanted to work jointly with EthiFinance on developing our approach.

Could you please introduce us to EthiFinance?

Anne Chanon — We are a financial and nonfinancial ratings agency working for clients across Europe from our bases in France, Spain and Germany. We are the preferred partner of sustainable finance providers throughout the EU, and of companies and other organizations committed to sustainability principles. Our 160 experts provide not only ratings, but also Second Party Opinions on ESG debt instruments and support for banks and insurers regarding their own sustainable investments and/or financing. We've been measuring social responsibility practices and their impact for more than two decades.

You've worked jointly with BNP Paribas Personal Finance on creating an innovative social impact matrix. What was the main goal of this project and how did you go about it?

A. C. — BNP Paribas Personal Finance wanted to provide its teams with a tool they could use to assess how well their products align with today's expectations in terms of impact finance, and help them structure and improve their offering more effectively to help poorly served and, in some cases, vulnerable groups. But the tool had to be both simple to use and flexible enough to cope with the very broad spectrum of conditions that apply in different countries, as well as reflecting current best practice in terms of inclusive and/or impact finance while minimizing any risk of social washing. So we spent a year working with teams in the Group's pilot countries of France, Germany, Italy and Portugal.

F. V. — The proposals put to us by EthiFinance were discussed at some length in interviews, co-creation workshops and crash tests held in several countries. In these often rather heated debates, the status of EthiFinance as an independent third party gave us the opportunity to challenge received wisdoms, work with the teams on how to ask the right questions and exercise vigilance when assessing whether or not an offer is inclusive. The task now is to put this new matrix to work: we held the first onboarding workshops at the end of 2023 in a number of countries, but that's just the beginning of this story. Embedding this matrix in daily decision-making means that our teams are using it and benefiting from it. It also means incorporating feedback from these teams to improve it year after year, and it means ensuring that it reflects market expectations, practices and standards at all times.

TEMPORARY WORKERS

Making life easier for temporary workers with FASTT

2.5 million

That's how many people in France have had at least one temporary job in their lives. For some, it will have been a conscious decision to work in this way, for others it will have been a choice made out of necessity. But both groups often have the same thing in common: the complexity of accessing traditional bank loans. It was our awareness of this situation that prompted us to sign a partnership agreement with FASTT (Fonds d'Action Sociale du Travail Temporaire), the national support network for temporary workers, whose guarantee is underwritten by shared responsibility for risk management and a contribution to any losses. This partnership enables us to offer a range of credit products designed specifically to meet the needs of temporary workers.

So, since January 2, 2023, they have been able to access tailor-made personal loan and credit consolidation solutions, as well as special insurance rates. A dedicated customer journey has been developed by involving a range of in-house expertise, including risk management and sustainable development, and our dedicated Cetelem Budget Support team has been brought on board to provide the best-possible level of assistance for these customers. This team looks after the entire process from application to after-sales support and allocable debt collection:

"I felt at ease at every stage, and I really liked the way the adviser helped me through the process,"

says one customer in temporary employment. Since the scheme was introduced, 4,260 customers have already been granted loans. 40% are under 30, and 70% of them have job mobility plans. The ultimate aim of this pooling of expertise with FASTT is to gain a better understanding of this customer profile, so that we can reassess our risk criteria and extend our lending policies to include those who are unable to obtain credit through traditional channels.



4,260
temporary customers
received financing

40%
are under 30

70%
of finance projects
are concerning mobility

EXPERT OPINION

The definition by Institut Louis Bachelier

Financial inclusion is one of the frontier issues of sustainable finance, requiring a relatively complex analysis despite its apparent simplicity. Based on a number of methodological precautions, and by cross-referencing a series of more or less available social and economic indicators such as age, income, wealth, purchasing power, etc. Financial inclusion models can be as robust as they are legitimate and effective in achieving their objectives of positive impact and, why not, risk. The double materiality analysis advocated by the Corporate Sustainability Reporting Directive (CSRD) may even find its place here, and reinforce the idea already emerging from the statistics of microfinance institutions, thanks to the more precise data collected in this way, that the most modest beneficiaries are far from being the worst payers. On the contrary, they represent promising sources of income for banking services.

Opinion by Stéphane Voisin
Institut Louis Bachelier



EVALUATION GRID

A new tool to assess the accessibility and inclusiveness of our products and services

Four of our entities (Personal Finance France, Consors Finanz, Findomestic and Personal Finance Portugal) have been using the social impact financial inclusion matrix since the end of 2023. Its aim is to help these entities assess the accessibility and positive impact of the products and services they offer for customers who are currently poorly served by financial services, and improve them by considering the potential avenues for future action identified by the matrix.

"The matrix is allowing me to assess the existing range of secured products we offer vulnerable customers in Germany from a number of different angles. Looking beyond products and prices, it's also important to provide lifelong support for these customers by tailoring communication and account management to their needs. The outcome of our assessment was very positive and has identified areas where we could improve further. The matrix also highlights the fact that financial inclusion is about a lot more than simply offering products to customers who have been poorly served in the past; it's a commitment with social impact."

Karunakar Krishna Reddy
Head of Broker Business Management at Consors Finanz

INCLUSIVE CREDIT

Using data to make credit more inclusive

Over the last three years, our data strategy and risk teams have been working together on developing an approach focused on financial inclusion, and have joined forces with the Institut Louis Bachelier, the French economics and finance research institute. The first focus for their work is identifying which other types of customer data could be used to improve credit scoring models in order to extend access to credit to more customers, regardless of their socio-economic profile. A year-long testing program has been run in conjunction with RCS, a subsidiary of BNP Paribas Personal Finance in South Africa. This country was chosen for the pilot scheme because of its digital maturity in the retail sector, and the fact that the social and economic challenges it faces are representative of global trends. We studied the behavior of 5,000 customers and used that data to build a new credit scoring model which will go live in South Africa in May 2024 and enable us to accept applications from around **20,000 additional customers** with 'invisible credit histories' every year. Our ambition now is to adapt it to all customer profiles, inspire other countries and launch more initiatives in South Africa, including new finance models based on microcredit and loans linked to sustainable development and social impact guarantees.

MICROCREDIT

Personal microcredit is an effective tool for achieving financial inclusion by helping people unable to obtain bank loans to fund employment and mobility projects. Microcredit distribution is based on collaboration with accredited nonprofit organizations whose input is essential for assessing project effectiveness, analyzing budgets and providing support with budget management. In Italy, customers who we cannot help with finance are directed to the Permico online portal to apply for microcredit loans. In France, a dedicated point of contact is available to help nonprofits partners, such as Césus, Crédit Municipal de Paris, Secours Catholique, Restos du Coeur, etc.



Help our customers to reduce the environmental footprint of their mobility.

What is the first step toward helping consumers reduce their carbon footprint? The answer is to raise their awareness of this issue and guide them toward making choices that are less carbon intensive while continuing to meet their needs. To support this transition, we are working hand in hand with every part of our ecosystem. We are working with our long-standing partners and new stakeholders to develop new products and services that promote and encourage electric mobility. At the same time, we have also signed agreements with a number of bike manufacturers and retailers to help our customers adopt other soft mobility options.



Financing mobility is a major challenge for BNP Paribas Personal Finance.

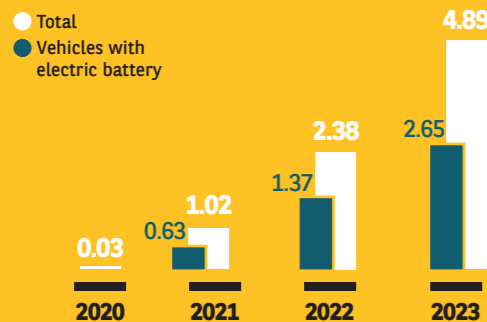


which is more than **50%** of our portfolio.

€4.89 billion

of BNP Paribas Personal Finance outstanding concern sustainable mobility*.

* Sustainable mobility only takes into account vehicles emitting less than 50g of CO₂ per km (WLTP standard).



Sustained growth since 2021.

through our actions:

- new partnerships
- attractive and innovative offers on electric vehicles
- better identification of vehicles in our databases.

In a European market where electric car sales are on the rise.

STUDY & RESEARCH

Raising stakeholder awareness of mobility issues with RESET

RESET is a joint project between our Italian subsidiary Findomestic and the QUINTEGIA automotive industry research center. Every year, RESET publishes the results of a survey exploring the sustainable development challenges faced by the automotive industry.

In 2023, the results showed that,

50%

of car dealerships now have a policy in place to monitor and reduce their environmental footprint.

The presentation of these latest survey results to the 2,000 attendees at Automotive Dealer Day raised their awareness of how important ESG issues are, and of their own role as social and economic stakeholders in the industry they represent.



HISTORICAL PARTNERSHIPS

Moving forward together: building on existing partnerships to create a sustainable future

In a sector gripped by transformational change, all mobility stakeholders must embrace the challenges of sustainable development to evolve their working practices. For manufacturers of traditionally powered vehicles, the degree of change is profound.

“We have to change every process, every program and every new operation to reduce emissions. We also need to explain to customers that they are part of the solution for reducing these emissions.”

Jose Maria
Volvo Spain

And for good reason, because as leaders in their respective markets, Volvo and BNP Paribas Personal Finance share responsibility for supporting and facilitating the sustainable transformation of mobility. This shared ambition is driving the emergence of new offerings designed to encourage the development of soft mobility and electric vehicles. And the efforts made so far are already paying off as Volvo continues to outperform market trends in the electric car sector. In Spain, where electric cars currently account for only 4% of total volumes, Volvo electric vehicle sales are running at more than 16%.

By joining forces and making a firm commitment to sustainability, we are already helping to shape a better future for everyone.

“Our partnership with BNP Paribas Personal Finance has given us solutions that make it easier for our customers to switch to electric cars by creating attractive offers that combine electric vehicle finance with the installation of home charging points.”

One of our partner dealerships in France.

PURE PLAYERS

Strategic partnerships to promote electric mobility

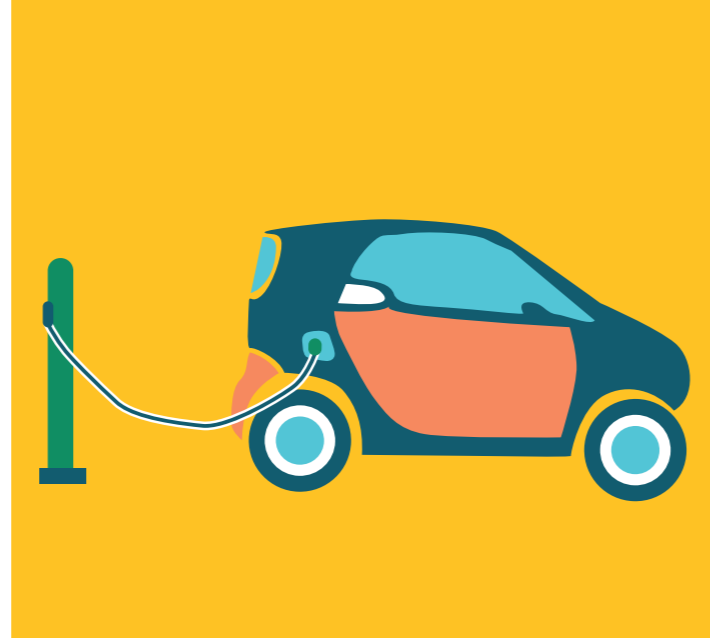
We have signed a number of agreements with electric vehicle manufacturers in Europe as part of supporting the transition to more sustainable mobility by offering flexible finance solutions and tangible benefits for electric vehicle users.

Our dual expertise in car finance (BNP Paribas Personal Finance) and leasing (Arval) has enabled us to form a Europe-wide partnership with ZEEKR, the GEELY Holding Group's premium electric vehicle brand, under the BNP Paribas Mobility umbrella.



In Spain, Italy and Portugal, we are partners of Polestar, the manufacturer of upmarket electric cars, for which we offer a comprehensive range of integrated services covering all aspects of finance, from lease-purchase to personal and business leasing, with the involvement of Cetelem and Arval.

Our collaboration with Smart in Spain focuses on financing fully electric cars with competitive financial solutions and an increasingly streamlined and rapid customer experience.

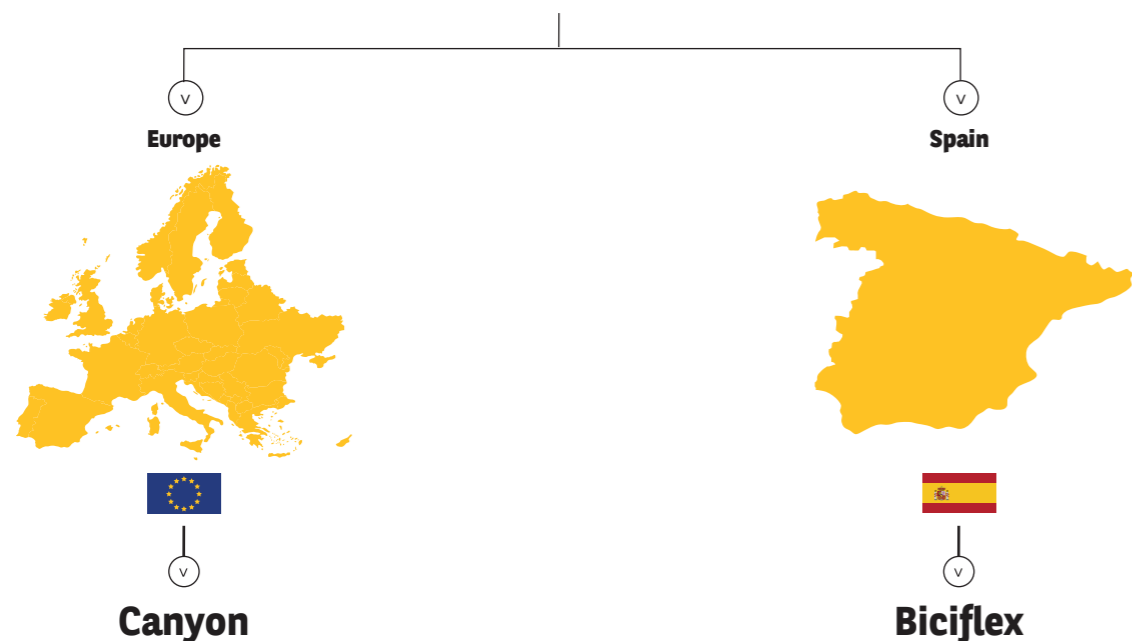


To go one step further, our partnership with the Portuguese energy supplier EDP offers a range of unique benefits to customers using Cetelem to finance their purchase of a new fully electric or plug-in hybrid vehicles, including assistance with the installation of home charging points, and discounts on the cost of electricity used for vehicle battery charging.

CLEAN MOBILITY

Joining forces to encourage cycling

As part of our drive to support new forms of mobility, we are expanding our presence in the fast-growing bike sector. Electric bikes in particular are becoming increasingly popular, but their purchase price can be prohibitively high for some households. This is why we're working with a number of manufacturers and retailers to help customers finance their purchase of a new electric bike.



Helping our customers to buy robust and durable bikes is another aspect of our commitment to sustainable mobility, so we've worked with Canyon, the German manufacturer of premium electric and conventional bikes, to develop a unique multi-country offering in Germany, Spain, Italy, Belgium, France and Scandinavia.

Set up by Cetelem Spain with seven partner retailers, this scheme gives bike owners access to special finance, insurance and warranty offers when exchanging their existing bike for a newer model. The old bikes are then reconditioned and resold.

Tomorrow's challenges

By working alongside customers in their quest for sustainability, we can give them the information and guidance they need to transition to greener practices, given our understanding of their situation and challenges. Delivering the Just Transition also means listening to our customers and understanding their needs at every stage of implementing their plans. Over to our Executive Committee...



Gilles Zeitoun
Chief Operating Officer,
Country Supervision

"Our research confirms that today's consumers want to embrace a more sustainable form of consumption, but without having to spend more to do so. Many consumers now take environmental impact into account when making buying decisions, but this can often involve additional financial cost.

As their budget companion the work we do with our partners is focused on making the environmental transition accessible to everyone. Our process involves regular assessment of our sustainable finance outstanding based on quarterly reporting by our entities of all outstanding that meet our own internal criteria and those set by the European taxonomy for sustainable activities.

Introduced in 2020, this process enabled us to develop an ESG indicator for our global outstanding, since when this indicator has become an essential management tool. We're constantly refining our definition of sustainable finance to assess its impact more accurately, at the same time as working closely with our customers to ensure that we are fully transparent and respectful of their best interests. These complex tasks can only be successfully achieved with the ongoing commitment of our employees and partners, and their constant focus on customer expectations."



Paul Milcent
Global Head of the Mobility
Business Line

"As the European leader in financial services for the automotive industry and mobility in general, we bear a high level of responsibility for strengthening and accelerating the ecological transition. So we proactively support all our manufacturer and distributor partners in delivering transformational change, so that end customers can enjoy a more responsible and sustainable model of mobility."



Rebecca Doucet
Head of the Retail and Customers
Global Business Line

"Home energy efficiency is a major challenge within the ecological transition. The combination of our finance offers and the expertise of our partners helps us deliver on our commitment to helping as many customers as possible with their energy renovation projects. We also promote the circular economy by financing used assets, part-exchange leasing and warranty packages to support and extend the useful working life of products."



Terence Mc Cormick
Chief Risk Officer

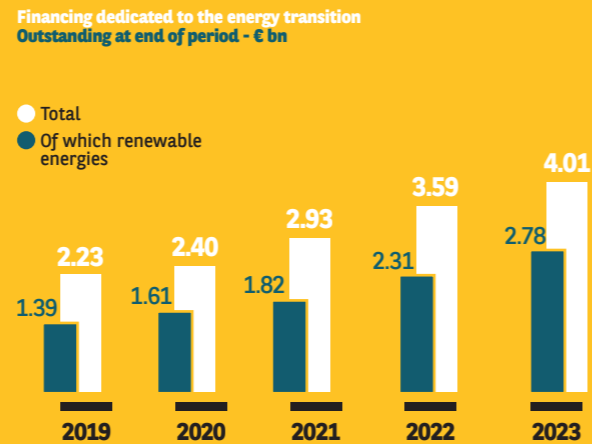
"We're already seeing the effects of climate change, which is why we need to identify the risks and take action now to control them. We also have a role in helping as many people as possible to make the transition successfully in ways that take full account of the real-world budget of each customer, which in today's inflationary world can be a complex task. So we have a very hands-on role to play in contributing to a Just Transition."

Help our customers to reduce the environmental footprint of their homes.

Almost 180 million homes in Europe need to be deeply renovated to achieve an A or B energy efficiency rating by 2050. To help householders with this sometimes complex and costly journey, we are setting up a range of strategic partnerships to guide them in their energy renovation projects, and give them easier access to grants and financing.

€4bn*
of outstanding in the housing energy transition by the end of 2023

*Outstanding/production increased to 50% on the PF inside perimeter.



194,000
energy renovation projects financed in 2023 including 47% in renewable energy

These excellent results are due to:

A dynamic market led by:
> Rising energy prices
> Government incentives

Our business development:
> Specific direct and partner offers



INSIDE STORY

The European Investment Bank and BNP Paribas Personal Finance join forces to accelerate the energy transition



Manuel Conthe
Loan Officer at the European Investment Bank Group (EIB)



Christophe Bourdeaux
Deputy Chief Sustainability Officer

Thanks to a new financial package, we are speeding up our support for household energy renovation. Manuel Conthe, Loan Officer at the European Investment Bank Group (EIB), and Christophe Bourdeaux, Deputy Chief Sustainability Officer, look back at the details of the Noria 2023 green securitization scheme to promote private home energy efficiency.

Why are financial markets interested in green bonds?

Christophe Bourdeaux — Encouraged by EU policies and investor appetite, the markets are now keen buyers of 'ESG' (Environmental, Social & Governance) financials. With demand outstripping supply, there are opportunities for a financial gain known as a 'greenium' or green-premium. BNP Paribas Personal Finance uses two types of financial instruments. The first is green bonds: these are existing green loans packaged into a bond wrapper that is managed by BNP Paribas for sale to investors. The second is green securitization, which was introduced for the first time in 2023, and put together jointly with high-profile partner the EIB Group. The criteria governing green loans have their basis in the European taxonomy. This is a two-stage process: an initial traditional securitization scheme where loans of all types are bundled into an SPV (Special Purpose Vehicle) and sold to investors, followed by a second stage involving the obligation to finance a minimum volume of green loans in future years, backed by a financial incentive.

How did the partnership with the EIB Group and BNP Paribas Personal Finance come about?

Manuel Conthe — The European Investment Bank is one of the world's leading lenders on climate action. At the same time, the European Union is at the forefront of the global effort to reduce greenhouse gas emissions and promote adapting to the effects of climate change. It plays a leading role in implementing the Paris Climate Agreement. In 2023, the EIB Group lent €44.3bn for climate-related and environmental sustainability projects.

C. B. — We have a long-standing partnership with the EIB Group through our CIB (Corporate Investment Banking) arm, and this securitization initiative takes us a step further in that relationship. Historically focused on financing for SMEs and companies, this securitization scheme represents an extension of the EIB Group financial support directly to private individuals, and therefore, end consumers. We've called this securitization program 'Noria 2023'.

What kind of projects will be funded as a result of Noria 2023?

M. C. — Noria 2023 is a green securitization scheme that will provide €627 million in funding for home energy upgrades and domestic renewable energy projects for private individuals over a three-year period. As part of helping the housing stock become more energy efficient, this funding will be advanced through new loans subsidized by the EIB Group and offered at attractive rates to customers in the French market. This is the first France-based true-sale securitization scheme that the EIB Group has been involved in since 2007. A total of €450 million has been invested in the senior and mezzanine tranches of securities backed by traditional consumer loan assets granted by BNP Paribas Personal Finance. To be eligible, projects must involve energy-efficient housing upgrades, such as high-efficiency boilers, insulated windows and/or solar panels.

How will this securitization scheme benefit its various stakeholders?

M. C. — This innovative financial deal will allow the EIB Group to expand its consumer loans portfolio over the coming years supporting the economy and making a major contribution to the Just Transition. For its part, BNP Paribas will be able to deploy additional capital to support the transition to carbon neutrality.


C. B. — And for BNP Paribas Personal Finance, it marks another step in the right direction to supporting consumers even more effectively with their home energy upgrade projects. Noria 2023 will help us to go even further in promoting a more responsible and sustainable model of consumption by supporting a broad spectrum of customers in putting their plans into action.



TRUST-BASED PARTNERSHIPS

The importance of having great partners

To support our customers in their housing projects, we attach great importance to building solid partnerships with major players in the energy sector.

 In France, our long-standing partnership with EDF gave rise in 2003 to the Domofinance joint venture, which celebrated its 20th anniversary in 2023. We are proud to see this partnership renewed for a further five years, affirming our commitment to supporting the French in their energy renovation projects.


In 2023, Domofinance financed


36,676

projects for a total of

€590m




 In the UK, in May 2023, we launched several financing offers for solar battery and energy storage systems in collaboration with Scottish Power, further illustrating our commitment to renewable energies.

 In Belgium, our subsidiary Alphacredit plays an essential role in helping BNP Paribas Fortis customers with their energy renovation projects. Bank advisers play a crucial role. Thanks to our in-depth knowledge of our customers' needs, we are then able to introduce the right specialists to carry out their projects. This personalized approach reflects our ambition to support customers at every stage of their project.

HOME IMPROVEMENT ACCESSIBILITY

Promoting major energy renovation projects


 To facilitate major home energy renovations, **Domofinance** has launched a specific financing offer in France with IzibyEDF. The customer is accompanied from start to finish in his or her project (DPE, works, etc.). Domofinance takes care of the subsidies and offers to finance the remainder to be paid at rates starting from 0%.

In 2023, 333 applications were made for a total of

€5 million of financing

RENEWABLE ENERGY

Insuring solar panels: a bright idea

 Spain enjoys twice as much sunshine as Germany and France. Our Spanish subsidiary is a leader in solar panels. Thanks to a partnership with the insurer Caser, it offers its customers insurance for their solar panels against theft, vandalism, weather damage... And for every contract signed, a tree is planted.

56 insurance policies issued



GREEN BONDS

Spain joins the BNP Paribas Green Bond program


Cetelem Spain has considerably stepped up its support for financing energy-efficient home improvements by doubling its outstanding. The teams worked to categorize this financing and to calculate the CO₂ emissions avoided, the fruit of this work enabled Spain to become the 2nd country after France to join the BNP Paribas Group's green bond program. Green bonds are bonds issued to finance sustainable projects, thereby contributing to the Just Transition.


€2bn

in green loans issued by BNP Paribas Personal Finance under the BNP Paribas Green Bond program

ENERGY RETROFITTING

Toward a sustainable home: helping people make the right choices

 To make home energy renovation affordable to as many people as possible, Cetelem and its energy renovation specialist partner Effy launched a special turnkey offer in September 2023, with preferential pricing based on household income, from identifying their needs, prioritizing works to be done, calculating the grants available and monitoring the works once they are underway.

 Findomestic has created a new website page for customers looking for more information about sustainable home management issues, including energy efficiency, security renovation, lighting and technology. The new page gives them all the details they need to guide them through every stage of their project. The website also offers an energy budget optimization solution in partnership with the utilities comparison website Papernest. Findomestic has also developed a special offer around solar panel installation with the Italian green energy supplier Tate.

Build a sustainable and inclusive relationship with our stakeholders.

Listening actively to our customers, partners, employees and civil society is essential for building lasting trust-based relationships and securing the long-term future of our business. It was in this knowledge that we introduced a new customer promise in 2023: we want to be our customers' budget companion to help them consume more sustainably on a daily basis.

6.2/10

of our customers believe that we open the door to a more sustainable model of consumption.

France, Belgium and the UK all saw their indicators improve year on year in 2023. The same is true of Germany, where the indicator is higher than that of sustainable consumption specialists, and Portugal, where the indicator is higher than the market average for the consumer credit sector as a whole.

Source: BNP PARIBAS Personal Finance and BVA Xsight - Benchmark 2023



New consumer expectations, new customer promise!



Caroline Soulié
Chief Customer,
Marketing
and Innovation Officer

We redefined our market positioning during the year. It was a major task involving a large number of employees, and will now be applied across the whole company to deliver our new customer promise. Caroline Soulié, Chief Customer, Marketing and Innovation Officer at BNP Paribas Personal Finance, explains...

How did you define the new BNP Paribas Personal Finance brand promise?

Taking the results of this extensive program of surveys, we set up working groups involving around 300 marketing, business and communications employees from several countries to analyse the gaps between our products and services and the expectations of today's consumers. The aim of all this work was to converge toward an agreed new market positioning. And ultimately, we arrived at the promise to be the customer's 'Sustainable Budget Companion'. In a world in transition beset by many uncertainties, BNP Paribas Personal Finance aspires to be the budget coach that helps consumers optimize their budgets, and work with them to facilitate access to consumption patterns appropriate to the times we are now living through.

Why did we need to reposition ourselves in the market?

We broke new ground in 2004 when we positioned ourselves on responsible lending, which has now become standard in the market. But today's changing consumer expectations and new legislation are pushing us in the direction of greater transparency and flexibility. The world is changing very quickly, and we are seeing major transformations across society, from concerns about climate change and consumerism to a challenging economic landscape, all of which are impacting the purchasing power of customers. We're responding by changing our customer promise to align even more closely with new consumer concerns and demands.

So what exactly are people looking for in consumer credit today?

We conducted qualitative and quantitative surveys of representative samples of consumers in five of our operating countries: France, Italy, Spain, Portugal and Germany, and the results of those surveys gave us a number of insights. Consumers want a personalized response that focuses primarily on addressing their interests, but they also want long-term support that can adapt to changes in their circumstances, and free-flowing, straightforward open communication delivered through all channels. They're looking for help in optimizing their everyday budget and guidance to help them make more eco-friendly purchases. They're aware of the impact of their consumption, but don't necessarily know what to do about reducing it. Lastly, there's also a clear need to provide support for low-income households; in other words, financial inclusion.



Could you explain this new customer promise in more detail?

It is underpinned by three pillars, and each country is working on interpreting them to create their own value propositions.

The first pillar is all about helping customers to manage their budgets as effectively as possible by extending our range of services (e.g., the Paper-nest service— see p.36) and adopting a different and distinctive new business approach: listening actively to customers and adapting our offers to suit their plans.

Our aspiration is to be at their side when they need us, which takes us away from purely transactional services toward an approach based on personal relationships. Initiatives are now being introduced to improve the

customer experience through active listening. We're also applying the principles of Transparency and Customer Interests (TIC, see p.36) to the process of working on our contractual and after-sales documentation to ensure that they are crystal clear for our customers to understand. The final pillar is facilitating access to positive-impact consumption. This means offering our customers services that help them save energy (our partnership with Effy, see p.32) or assess their environmental impact (Doconomy in Italy). It's a continuous improvement process that every part of the company needs to be on board with, and we intend to deliver on this promise through our brand platform and our various partnerships.



PROTECTION AND TRANSPARENCY FOR THE CLIENT'S SECURITY

Putting customers front and center with the TIC program

Our Transparency and Customer Interests (TIC) program was rolled out in 2022, as part of our ESG commitments to promoting sustainable governance. Its ambition is to intensify the process of embedding the principles of transparency and customer interests into all our products and business practices. We rolled it out through a network of local TIC representatives working in close cooperation with all the business lines. Local and central committees have also been formed to ensure that the program is rolled out smoothly and in full, and that TIC issues are fully embedded in business strategy. In 2023, a self-assessment of TIC principle operational integration maturity returned a maturity score of **78** (up from 63 in 2022). And to ensure that TIC also flows through our product and service design processes, we are making increasing use of 'TIC by design'. In France, for example, the new functionality introduced for the Cpay Everywhere card was created with particular focus on the customer need for clear and transparent information. In Italy, the revolving credit offer has been redesigned for 100% flexibility, giving customers the opportunity to adjust their monthly installments to reflect their ability to pay.

CUSTOMER ADVICE

Managing energy and phone bills better with Papernest

Our new partner Papernest offers a comprehensive solution designed to help our customers optimize their energy and phone bills. Not only does this solution analyze and optimize budgeting for both these services, but it also optimizes expenditure by renegotiating their contracts.

Estimates suggest that average annual savings of

€480 are achievable.

C-FRIDAY IN SPAIN

Spain: making Black Friday sustainable

For the past 5 years, Cetelem Spain has reversed the Black Friday ethos with its C-Friday event that promotes sustainable consumption and is designed to change the perceptions of its partners and consumers.

Over the years, C-Friday has covered a range of different responsibility issues. During the pandemic the emphasis was on supporting affected communities. Last year it focused on the circular economy, highlighting the importance of protecting our planet by reducing, reusing and recycling.

In 2023, Cetelem Spain chose to celebrate its 35th birthday by promoting sustainable mobility for disadvantaged children and supporting access to education. In partnership with Bicicletas sin Fronteras (Bikes without Frontiers), this NGO supplies bikes to primary and secondary schools in Senegal to give children and young adults an eco-friendly way of traveling to and from school.



ECONOMIC ABUSE AGAINST WOMEN

Committed to pushing back against domestic economic abuse

Having been committed since 2021 to pushing back against domestic economic abuse, 2023 was the year in which we launched a series of initiatives to take this fight to the next level.

One example of domestic economic abuse is when someone steals their partner's identity to take out a consumer loan or access their online account. Our advisers and claims department staff at Accompagnement Budgétaire Cetelem (ABC) have therefore received additional training to improve their ability to identify situations like these and provide the special support required.

"This training helped me to realize that this is something that can affect anyone. Using active listening techniques now allows us to identify the warning signs and direct the victim to specialist organizations, such as a CIDFF Women's and Family Rights Information Centre."

Marie Laure Berthomieu

In 2023, our economic abuse specialist Paola Vieira made a series of media appearances and took part in a round table discussion hosted by the over-indebtedness charity Fédération Crésus, helping to raise awareness of this important issue on a much wider scale. And because the best solutions are always arrived at by working collaboratively with others, we are also working with a number of nonprofit organizations and public authorities, including particularly the FNSF (National Women's Solidarity Federation). This work has already led to the production of a hard-hitting and edgy awareness-raising video called 'Keep an eye on your wife's spending with EyeMoney', now streaming on YouTube. Scan the QR code to watch it.



CIRCULAR ECONOMY

Think circular!

A survey of 4,000 people and 350 employees in France, Poland, Italy and Spain has enabled us to gain a better understanding of consumer expectations in terms of the circular economy.

The results of this survey helped us to identify three key moments particularly important to customers, and where we can have an impact:

1 Choosing goods or services

We offer financing for second-hand products such as Clevertronic in Germany, as well as leasing for new or refurbished products.



2 Using consumer goods

Through maintenance and support services, we can contribute to the 'sustainability of products'. For example, we offer our customers who have taken out a bicycle rental contract in France an annual maintenance appointment. In Spain, our customers can take out a 2-year warranty with the ACEMA association on their household appliances.



3 Disposing of goods at the end of their useful life

We are also exploring ways of ensuring a responsible approach to the product life cycle, offering our customers the option of buying back their smartphone after the rental period, in partnership with Evollis and Samsung.



SUPPORT OUR CLIENTS

Faster claims handling

Following a study carried out in 2022, in which our customers' claims handling times appeared to be far from the most recent market practices, PF and Cardif decided to make this a priority. The intention is to handle our customers' claims quickly, so that insurers can help them better cope with life's hazards (death, disability, inability to work, possible loss of employment...).

Goal

80%

of claims resolved within 7 days by 2025.



Local BNP Paribas Personal Finance and Cardif teams have taken this challenge on board, and Spain, for example, has already achieved 60% of this target by Q1-2024.

To make a positive impact beyond our business in our fields of expertise

In 2023, we devoted 44,817* hours in support of the #1MillionHours2Help program.



We see our choice to focus our policy of corporate philanthropy on financial education and digital inclusion as a logical extension to our business. In today's world both are essential to secure social and economic inclusion for the maximum number of people.

The 1MillionHours2Help program gives our employees the opportunity to make their contribution to achieving this goal during working hours by making their skills available to push back against social and financial exclusion, and raise awareness of the need for sustainable consumption. This approach helps us understand the expectations of society today, and make a positive impact that helps everyone make progress.

*This numbers includes hours of senior mentoring in France.

Increase financial literacy and awareness about sustainable consumption.

Financial education is essential for a successful and stress-free life. The fact that not everyone has this awareness is why we are committed to helping vulnerable populations, especially the younger generations, to learn the basics. Our tools and educational programs help those who need it to acquire the basic notions of budget management and sustainable consumption.



59,200

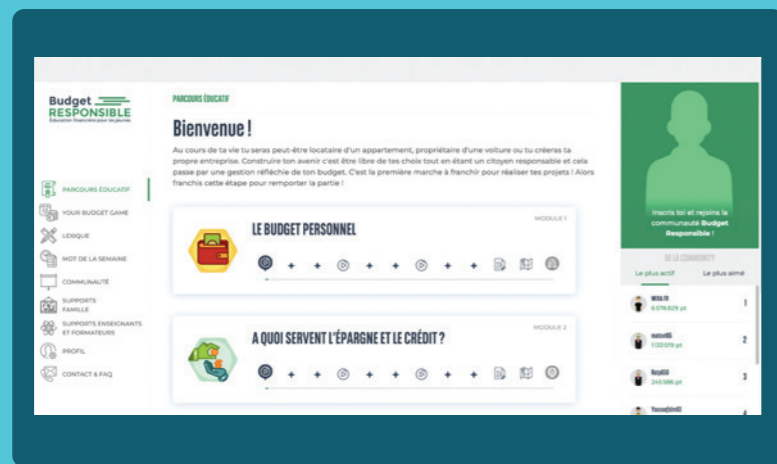
young people supported via our educational platform BudgetResponsible.com available in France, Italy and Belgium, as well as in various programs in the UK and Portugal.

"The workshop was interactive and well led. The session leader captured the attention of students and was very successful in persuading them to take an active role. I think they really appreciated the involvement of a personal loan specialist, and the workshop gave me the opportunity to introduce the section on contracts and loan agreements. Just perfect!"

Secondary school teacher in Belgium

"I use the website with first-year secondary school students interested in learning more about 'economics'. [...] So I really hope that the website stays available for a long time, because it adds real value for students."

Secondary school teacher in Belgium



Scan me!



Mission Locale Lille Avenir's adopts our educational workshops



Corinne Tignon
Director of Career Planning Support at Lille Avenir's



Najat El Hilali
Project Manager and Socio-Professional Counselor at Lille Avenir's

We offer special workshop sessions to help young people learn the basics of budget management. Mission Locale Lille Avenir's helps young people put that knowledge into practical use as part of the employment and social integration support it provides. Corinne Tignon, Director of Career Planning Support, and Najat El Hilali, Project Manager and Socio-Professional Counselor explain...

Could you begin by telling us about what Lille Avenir's Local Mission does?

Corinne Tignon — We're here to help young people between 18 and 25 plan their careers. As part of that, we look at how they live, where they live, their health, their cultural and sporting lives, their community integration, etc. And since they receive a monthly allowance as part of the youth engagement contract, providing them with information about budgeting and financial management is one aspect of what we do.

And how much do you think that most young people know about managing their budgets?

C. T. — The first thing to say is that there are many types of people: those who live with their parents, those who live independently, those who have guardians, and so on. And then there's the fact that, generally speaking, they haven't yet needed to make any significant purchases themselves, and therefore know very little about budgeting. Some may have learned a few basic principles from family members, while others have had to learn the basics the hard way due to their parents' financial situation. But regardless of other factors, they all need a sound basis on which to build their future independent lives. We realize that they don't really appreciate the actual value of products and services; they are strongly influenced by social media, and see the act of buying something as essentially associated with pleasure. So they don't necessarily realize what poor budget management can lead to,

and therefore some of them are already in debt. And when they have to share accommodation with others, it doesn't necessarily occur to them that bills have to be paid. Some young people are also very naïve about online scams. Equally, they need support at the point when they open a bank account, so that they understand properly how to manage it.

So do you have any particular tools you use to help them with the basics of financial management?

Najat El Hilali — We use the BNP Paribas Personal Finance Responsible Budgeting platform and watch its three videos together as a group. Then we do the quizzes together, and as they become more curious about the subject, questions begin to be asked. Two or three days later, we involve them in the Dilemma workshop at BNP Paribas Personal Finance in Lille. The workshop session is led by BNP Paribas employees, which is a definite bonus.

C. T. — I have to say that they really do get invested in the process, and because they already know each other, there's genuine interaction between them. And it's important that people express their own experiences openly. So they talk about their daily lives, giving real-life



"We realize that they have a poor appreciation of the value of products and services. They are heavily influenced by social networks, and for them the notion of buying is often associated with pleasure buying. They don't realize the impact of poor budget management."

examples, and a genuine process of discussion emerges. Not everyone has the same level of knowledge, so they inevitably learn from each other. It's also very important that the Dilemma game is led and coordinated by finance professionals, because they're in a much better position to answer questions.

How do games contribute to financial education, then?


N. E. H. — We rely heavily on games in all aspects of the support we provide for young people. You could say that games are integral to our educational practice. Their real benefit is that they spark dialogue, take the heat out of certain issues and combine work with pleasure. We are very aware that some young people need to learn as part of a group, and those who have dropped out of school especially need stronger social relationships. And games encourage dynamic interaction between group members, which is always beneficial. When we ask for feed-

back at the end of this learning journey, our young people seem very happy with what they've learned. The financial education workshop is very well received and equally well appreciated. Which means that we've successfully put the basics in place. At the very least, they are able to distinguish between different types of costs and expenditures. And there's one very good indicator of whether they've learned anything: when questions about money no longer arise in one-to-one interviews, it's because it's no longer a problem!

BUDGET EDUCATION



Employees sharing their knowledge with young people

 In France, for the past 10 years, over 100 employee volunteers have been running budgeting education workshops for young people from the 2nd Chance school (Ecole de la 2^e chance) and local missions. They use the Crésus Foundation's Dilemme Éducation board game. Playing as a team, youngsters are faced with a dilemma: should I save or should I treat myself? It's a fun way to learn how to manage their budget. The workshops take place on our premises, so that participants can be in contact with the corporate world.

10 years

of the Dilemma game


In 2023,
43
workshops
were held involving
345
young
people

"I feel like I'm contributing something really important and strong to the community, and therefore contributing to all our futures."

Estelle N.
Mérignac

FINANCIAL EDUCATION

The effective power of partnership

 To maximize the effectiveness of the contribution we make to financial education for young people, we rely on partnerships with nonprofit organizations. In Portugal, for example, we promote youth financial literacy alongside Junior Achievement. More than 480 students completed this program delivered by 21 employee volunteers. In Germany, 72 people attended the financial and digital education workshops run by Joblinge with the aim of helping young people and women from immigrant backgrounds to enter the world of work.



PERCORSI YOUNG


Financial education: students have ideas too!


 It was in 2013 that Findomestic launched its 'PerCorsi Young' project in partnership with La Fabbrica. Its ambition is to contribute to the financial education of secondary school students. In its 10th year, around 49,000 students were involved in the many initiatives on offer, including the Findomestic Camp. Eight teams met in Florence to take on a final two-day challenge. All had been selected after presenting their project on the 2023 theme of 'Budget management learning resources'. The students had taken this theme and worked on proposals for a product or service that a bank could offer children of primary or secondary school age to teach them about how to manage their finances and budget.



ONLINE TOOLS

Using the right budget management tools

 The best way of helping consumers manage their budgets is to provide them with the tools they need to learn about the issues involved and manage their own financial education. In Portugal, our Notas em Dia website provides advice on family budgeting and financial management, while cetelem.pt encourages people to adopt sustainable consumption habits.

 In Spain, our subsidiary introduced its 'Domestica Tu Economía' financial literacy website 10 years ago in 2013. The company's social media outreach has also proved hugely successful, attracting more than 50,000 followers on Facebook.

+ 50,000
followers on Facebook


PODCAST

'On the Way', the podcast for more responsible and sustainable consumption

'On The Way' gives a voice to entrepreneurs, corporate players and researchers who are working day after day to build more sustainable consumption. 11 new episodes went online in 2023. Available in French and English, the podcast has recorded over 76,000 listens since its creation, with a significant increase last year (over 55,000 listens).

DOCUMENTARY

'Us Consumers': promoting sustainable consumption

 For 70 years, consumerism has been what we do. But now, we're looking very closely at how things are changing, and we've begun promoting access to more responsible and sustainable ways of consuming, with particular emphasis on showcasing key stakeholders in this space. In December 2023, we offered head office staff a sneak preview of the documentary 'Us Consumers', which tells the story of the fair-trade brand 'C'est qui le Patron?' (Who's the Boss?)! It gave them the opportunity to see what goes on behind the scenes of this success story in the presence of its founder, Nicolas Chabanne, as well as a dairy farmer and customer-members to discuss new models of consumption.

DEVELOP ENTREPRENEURSHIP

Making the connection between employability and sustainability

 To help boost the employability of students and establish them as stakeholders in delivering a Just Transition, our UK Exec subsidiary rolled out a dedicated learning program in 2023 in partnership with Digital Innovators. With advice and support from our teams, the students were asked to come up with a business idea that responded to either of two challenges: how to make fast fashion sustainable and how to reduce food waste. The program culminated in a major event hosted as part of Birmingham Tech Week, when the students had the opportunity to present their business proposal to our UK management team and other stakeholders. The program proved very successful: some of the participants have already been hired by BNP Paribas Personal Finance, and further programs are being scheduled.

Tomorrow's challenges



Taken from the 'On The Way' podcast, here are a few words from our discussions with various entrepreneurs and players in the business world.



Charlotte Dereux
from Patine

"It's actually quite simple once you get it into your head that carbon is just like a euro, which means you have to budget very carefully, so I think it's really quite an easy concept."



Mathias Wikström
from Doconomy

"I hope that one day we'll be able to say that we did everything we possibly could, that we did it together and that we've succeeded! But we have to take action and do it now."



Hortense Harang
from Fleurs d'Ici

"By making more responsible choices about our everyday consumption, we can influence the course of things, the course of history, and the course of society."



Camille Perbost
from La Tournée

"In today's world, no one really talks about their trash, which can't be said of other more divisive environmental issues. Everyone wants to change, so they need to be offered a really practical and do-able solution that suits their daily lives: returning jars and bottles to the delivery person when you receive your next delivery is as easy as putting out your bins."



Meleyne Rabot
from Too Good To Go

"Back then, we already had figures on food waste, but now we realize that a staggering 40% of the food produced around the world actually goes in the bin. That's equivalent to 10% of global greenhouse gas emissions."



Scan to listen!

Increase digital inclusion and literacy.

It's a fact that our lives are increasingly impacted and shaped by digital technology. This transformation can be beneficial, but only as long as no one gets left behind; technology must drive social progress without creating exclusion. It is therefore our responsibility to support people who are not accustomed to digital services, especially at a time when more and more financing offers are available online. To this end, we support and accompany vulnerable populations as they learn to use digital tools.

4,220

people have so far benefited from our range of digital education and awareness programs.



E-inclusion: an issue that involves us all!



Linde Verheyden
Public Affairs Director
at BNP Paribas Fortis



Sabine Liénard
Chief Sustainability Officer
BeNeLux

How is digital and electronic illiteracy impacting the people of Europe? And what is the best way to tackle this issue and identify the right solutions? Interview with Linde Verheyden, Public Affairs Director at BNP Paribas Fortis and founder of DiGitALL, & Sabine Liénard CSO at BNP Paribas Personal Finance in BeNeLux, the ecosystem of companies, social and governmental organizations working to improve digital inclusion in Belgium.

How do you define digital illiteracy? And how widespread is it in Europe today?

Linde Verheyden — Being unable to write an email, download an app or search the Internet: these are typical examples of digital illiteracy, which affects one-third of people between age 16 and 75 in Europe. That's a really big number, and particularly worrying since digital technology is now integral to all our lives: banking apps, online forms, social media... lacking digital skills can exclude you totally from all these services and many more. And by extension, the next stop can be social and economic exclusion as well.

Not all European countries are equal when it comes to this problem: in the Netherlands, digital illiteracy stands at around 14% of the population, whereas in Romania it's 55%.

Who is most likely to suffer as a result of digital illiteracy?

L. V. — Given the speed of digital development generally, and artificial intelligence in particular, digital illiteracy can affect anyone and everyone.

But of course, it has a greater effect on those in society who are already vulnerable in other ways, so those living in poverty, those with no qualifications or people with disabilities, for example. Nevertheless, digital illiteracy is no respecter of age, and can affect younger people as well as those more advanced in years. We tend to think of the younger generations as expert users of digital resources. But having a WhatsApp or TikTok presence doesn't mean you can detect fake news when you see it, or even be capable of applying for a job online. To have a digital life, you need to have access to the right

devices-computer, phone, tablet, etc.—as well as a good quality internet connection, which is not true for everyone. Then you need the right digital skills. And lastly, there is also a question of trust in digital technology, and we sometimes see people who get stressed when having to use digital resources. Even if they know how to use digital technology, some people have little confidence in their own skills and fear falling for a phishing scam or making mistakes, and therefore shy away from digital technology.

How can we help to reduce illiteracy?

L. V. — Raising awareness of the issue is key. If a company doesn't know that one-third of its potential customers won't be able to use its app, it won't necessarily take the trouble to make sure that its digital tools are easy to use. The same applies to company employees. It's important to be certain that the digital tools developed are easily accessible to people who don't feel confident in the digital world or are unfamiliar with digital technologies. This can be achieved by involving user panels at the development stage, by simplifying the language used, or by offering people the option to access services by phone or face to face. It's very important not to lose the human touch, because that's a crucial issue for some of our customers.

What is the DiGitAll project all about?

L. V. — DiGitAll came into being at BNP Paribas Fortis, when I had the idea of creating a coalition of companies, social organizations and government bodies to promote digital inclusion in Belgium. We bring together a broad spectrum of public-sector, private-sector, social and academic organizations that share an awareness of the scale of this problem across our society, and the need to work together to find solutions to it. We take action in three main areas: raising awareness, extending our network and creating action tools together in what we call our 'Do Tank'.

For example, we've developed Mobidig, a solution that stimulates and supports existing social organizations with delivering digital skills training modules to notoriously hard-to-reach population groups, such as the homeless, vulnerable young people and the elderly. Mobidig is a mobile kit of tablets, internet connections and 5G technology that can all be used in the environments where these groups live. We've also created a digital inclusion index to help companies assess and improve the accessibility of their apps and websites.

Sabine Liénard — Being part of the DiGitAll Community alongside BNP Paribas Fortis gives us the opportunity to address the issue of e-inclusion internally and externally. All Alpha Crédit employees have now been trained and made fully aware of the challenges posed by digital illiteracy, so they can now incorporate e-inclusion into the design of new customer journeys. And that's exactly what we're doing now with the development of our new mobility journey.

DIGITAL INCLUSION

Digital education: reaching out to a wider audience

Launched in 2013 by Findomestic in partnership with La Fabbrica, the 'PerCorsi People' project aims to promote digital inclusion, a key factor in social and economic inclusion, for people in vulnerable situations such as prisoners, abused women and migrants. And since last year, it has been open to a wider public, thanks to digital education courses offered online or in person, and a series of tutorials accessible via a new dedicated area on the www.creditoresponsabile.it website.

In 2023,
806
people took these courses, including many students.



“Sometimes we’re reaching people who have no basic knowledge of finance or the digital world, but on other occasions, it could be those with a greater level of awareness who simply want to test their knowledge. In other cases, we find that we’re boosting the self-confidence of people who are proud that a bank has bothered to take the time to train them.”

Luisa Casini
Head of Sustainable Development at Findomestic.

SKILL DEVELOPMENT

Websites: digital expertise sharing between employees & NGOs

At their conference in November 2023, 200 managers from Consors Finanz shared their expertise with 5 NGOs to help them develop their digital skills.

The ultimate aim: help these nonprofits to improve their websites in ways that would help them achieve their goals more effectively, with particular emphasis on fundraising: a credible website and structure are more reassuring for donors!

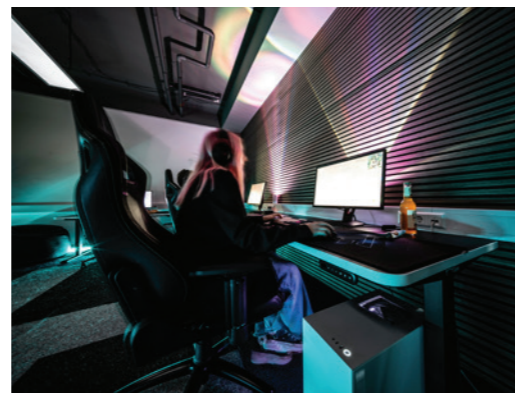
GENDER DIVERSITY IN E-SPORT

Supporting the inclusion of women in gaming

Gender equality in e-sport is a live societal issue, since only 6%* of female competitors make it to professional level. As in other sports, sexist and/or hostile behavior is an obstacle that discourages many girls from entering the competitive arena, promoting themselves and identifying with players. They suffer from a lack of training and sponsor interest, and have a lot of ground to make up in terms of competitive level.

So supporting the inclusion of women in gaming is an opportunity for Cetelem to promote its core values and make its commitment tangible as a premium sponsor of 'La Solary Académie', the first women's team in League of Legends. This support will enable Solary e-sport to part-fund the players' salaries and professional coaching fees, creating the right training conditions to help them gain real traction in the competitive space!

* Source: France e-sport.org 2022



CETELEM FOUNDATION

Digital inclusion: the mission of the Cetelem Foundation



With 13 million French people struggling to access and/or use digital tools*, the mission of the Cetelem Foundation is a particularly meaningful one in terms of people's everyday lives. Its commitment to digital inclusion resulted in support for 14 nonprofit organizations in 2023, helping more than 43,000 people as a result. Today, 70% of nonitinerant homeless people own a smartphone, so these devices can become a powerful tool for social networking. Since 2022, the Cetelem Foundation has been supporting the Entourage association in the development of its application for the homeless. Entourage's mission is to engage everyone in support networks with the most excluded, through 2 main actions: a network of meetings and mutual aid between residents and homeless people, supported by a mobile application; the LinkedOut network, the "professional network for those who don't have one": a unique platform and support program to boost access to employment for those in the most insecure situations.

* Source: Mission Société Numérique



“The fact that there are all these organizations working across the country to promote inclusion through sharing digital skills with people who are often isolated or excluded from the digital world is a real revelation. It was difficult to choose between them, because all the projects were so rich and diverse, but it was a great experience to have the opportunity to attend the pre-selection committee meetings.”

Christine Berrie
Assistant at the DCRC RVO in Mérignac



“Entourage is much more than an app, and more than just a nonprofit organization. It's actually a hospital; a hospital that saves lives.”

“I hope more countries will adopt this app, because it really can signpost people in need to others who can help them when they need it.”

**Thank you to all our employees and partners
who contributed to this report**

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