

Particulars

About Your Organisation

1.1 Member Name

BNP Paribas

1.2 Membership Number

5-0013-11-000-00

1.3 Membership Sector

Banks and Investors

1.4 Membership Category

Ordinary

1.5 Country

France

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

No

2.2 Please select all the sectors that best describe the business activities of your company or organisation, including your primary RSPO membership sector. You may select multiple sectors and will be required to complete the ACOP form for the relevant sectors

- I am a bank or financial institution that finances or supports companies or organisations that produce or manufacture palm oil, palm kernel oil or related products
- I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- I am a social and human development NGO supporting the sustainable development of the palm oil industry
- I am an Affiliate member of the RSPO, indirectly involved in the palm oil industry

Bank & Investors

1. Operational Profile

1.1 Please state your company's main activity(ies) within palm oil-related financing. Please select all applicable option(s).

- Corporate / Commercial Banking
- Trade Finance
- Private Banking
- Investment / Equity
- Debt / Capital Market
- Other

Other

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2. Operations in Palm Oil

2.1 What types of financial services does your company provide to the palm oil industry?

- Trade Solutions
- Lending/Loans
- Leasing
- Treasury Products
- Cash Management Products
- Investments
- Insurance
- Other

Other

-

2.2 For your company's palm oil-related activities, which geographic region(s) do you operate in?

- Worldwide
- Africa
- Europe
- North America
- South America
- Middle East
- China
- India
- Indonesia
- Malaysia
- Oceania
- Rest of Asia

3. Palm Oil Policy and Progress

3.1 Does your company have a lending or investment policy on palm oil?

Yes

3.2 Which supply chain sectors does your palm oil policy cover?

- Growers
- Traders
- Processors
- Consumer Goods Manufacturers
- Retailers
- Others

Others

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3.3 Does your policy on palm oil make a specific reference to RSPO-certified sustainable palm oil and oil palm products, and/or RSPO certification?

Yes

3.4 Does your company have a policy that requires all your palm oil clients to be RSPO members?

Yes

3.5 Does your company require your clients to have a public TimeBound Plan for 100% RSPO certification or uptake?

Yes

3.6 When do you expect to require all your Grower clients to be RSPO certified?

2025

3.7 When do you expect to require your clients in all other sectors to be RSPO certified?

2025

3.8 Which regions do the above commitments cover?

- Worldwide
- Africa
- Europe
- North America
- South America
- Middle East
- China
- India
- Indonesia
- Malaysia
- Oceania
- Rest of Asia

3.9 What measures do you take if a client is not meeting the requirements of your policy on palm oil?

If a client does not meet the requirements of our policy on palm oil, we initiate a dialogue to ensure that improvements can be made, to achieve compliance with our policy within an acceptable timeframe.

If the client does not comply with our policy and does not show willingness to improve its practices, we will refuse investing or providing financial products or services, and gradually exit the relationship.

3.10 Do you proactively engage with your clients to support and join the RSPO?

Yes

3.11 Did members of your company participate in RSPO working groups and/or taskforces during the reporting period?

Yes

3.12 Does your company have any collaborations with public or private sector palm oil industry players to support them in their efforts to increase the production or consumption of certified sustainable palm oil (CSPO)?

No

3.13 What other activities have your company undertaken to promote RSPO-certified sustainable palm oil and oil palm products during the reporting period?

We have continued to ensure that the criteria related to non-deforestation in our sectoral policy and supported the collaboration between RSPO and HCSA were effectively implemented.

BNP Paribas requires that Upstream Palm Oil Companies (plantations and mills):

- be RSPO members (or have a time-bound plan to become RSPO members);
- have published an up-to-date communication on progress;
- have a time-bound plan for full RSPO certification of their operations. BNP Paribas will assess whether Upstream Palm Oil Companies (plantations and mills) have a time-bound plan for full RSPO certification of their fresh fruit bunches supply base (or similar verification mechanism for smallholders).
- have a policy in place to conduct High Carbon Stock (HCS) assessments before developing new oil palm plantations, and to protect the HCS forests identified within their concessions.

BNP Paribas requires that Downstream Palm Oil Companies (i.e. refiners and traders):

- be RSPO members (or have a time-bound plan to become RSPO members);
- have published an up-to-date communication on progress;
- have a time-bound plan to achieve full RSPO certification of their operations. BNP Paribas will assess whether Downstream Palm Oil Companies (i.e. refiners and traders) have a time-bound plan to trade and/or process only RSPO-certified palm oil.

4. Actions for Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- Participation in RSPO Working Group or Task Forces
- Support Independent Smallholders (ISH)
- Contribute to the RSPO Smallholder Trainer Academy
- Financial contribution to the RSPO Smallholder Support Fund
- Direct investments in Smallholder Certification projects
- Involvement/direct investments in Jurisdictional/Landscape approach
- Direct/collective investments in conservation and restoration initiatives
- Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- No activities planned
- Others

Other

As mentioned above, our CSR policy regarding our financing and investing activities in the palm oil sector has been reinforced take into account recent developments and commitments taken by major players. On that basis, we continue to strengthen the dialogue with our clients regarding their CSR performance, including the promotion of CSPO as explained above. This update contributes to our commitment to finance growth in the markets for palm oil, wood products, soya and beef, without causing net deforestation.

Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility (SR) requirements will be done through ACOP and MyRSPO. As the process of verification of the reports is in development, the Shared Responsibility section in ACOP may change in future ACOP cycles. Evidence to show compliance to the SR requirements shall be uploaded via your membership profile in MyRSPO. Please login to your MyRSPO account and upload the relevant policies, plans and relevant reports there. If you do not have a policy or your policy does not cover all items, you will be required to provide a Declaration of Support for the relevant policy items in your MyRSPO profile. Additional information on the required policies and plans applicable to all sectors as well as the annual uptake targets for supply chain actors can be found on <https://rspo.org/members/shared-responsibility> or email the Shared Responsibility team at sharedresponsibility@rspo.org.

Information & Public Availability

1.1 Does your company have organisational management documents publicly-available?

Yes

Ethical Conduct & Human Rights

1.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

1.2.1 Does the policy cover:

- Recruitment
- Contractors
- Suppliers and Sub-Contractors

Legal Compliance

1.3 Does your company comply with all applicable legal requirements?

Yes

1.4 Does your company require its third party contractors to comply with legal requirements, i.e. including a clause on legal compliance in the contracts?

Yes

Complaints & Grievances

1.5 Does your company have a Grievance Mechanism that is accessible to all affected parties?

Yes

1.5.1 Is your Grievance mechanism in line with the principles of the RSPO's Complaints System?

No

Smallholders**1.7 Does your company support oil palm smallholders (groups)?**

No

Labour & Labour Rights**1.8 Does your company have a publicly-available policy covering Labour & Labour Rights?**

Yes

1.8.1 Does the policy cover:

- No discrimination and equal opportunities
- Pay and working conditions at least at legal or industry minimum standards and are sufficient to provide decent living wages (DLW)
- Freedom of association and Collective bargaining
- Protection of children, as well as the workforce of suppliers and third-party contractors
- Prevention of all forms of harassment, including sexual harassment
- No forced or trafficked labour

Occupational Health & Safety**1.9 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

1.9.1 Does your company have a Standard Operating Procedure (SOP) for Occupational Health & Safety?

No

Waste Management**1.10b Does your company have a statement of intent to reduce, recycle, reuse and disposal based on the hazardous characteristics?**

Yes

Climate Change & Greenhouse Gas (GHG)**1.13 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG) including identification and assessment of GHG emissions and implementation of a plan to reduce or minimise them?**

Yes

Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

1) Economic obstacle: RSPO seems to be in an in-between situation: on one hand, many very important markets do not pay particular importance to environmental labels such as RSPO and growers find strong difficulties in passing-through certification costs when addressing these markets. On the other hand, many Consumer Goods Manufacturers in the European and American markets ask now their providers to comply with environmental standards which go beyond RSPO requirements, such as HCS protection and no deforestation commitment, generally embedded in a No Deforestation, No Peat, No

Exploitation policy. Addressing these two issues appears to be crucial for RSPO and a necessary preamble to any effort from the financial sector to promote CSPO among its clients.

2) Another important difficulty is, while assessing the ESG performance, to know precisely what the real practices of the company on the ground are. Many different statements and points of view may arise during investigation or audit and we need to clearly state out what's really happening. To mitigate this difficulty we ask, we primarily rely on experts that go on the ground, such as Earthwarn, but also on other stakeholders, such as NGOs.

1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Communication and/or engagement to transform the negative perception of palm oil
- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Engagement with peers and clients
- Promotion of CSPO through off product claims
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

BNP Paribas is member of RSPO since 2011 and has been since then fully supporting the vision of RSPO to transform markets by being a responsible financial player in the palm oil sector, based on a public policy including binding ESG criteria and with the help of external auditors to assess the ESG performance of the actors we chose to support. BNP Paribas is also member of the Financial Institution Task Force (FITF): placed under the umbrella of RSPO, this group gathers several banks involved in the palm oil sector and members of RSPO.

1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

No