

“We do not automatically exclude, but we engage”

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► Why did BNP Paribas commit to zero deforestation?

All companies need to adapt to new challenges, and they must respond to demands from customers, civil society and particularly from investors. Our corporate social responsibility (CSR) approach is built around public policies covering high-risk sectors. As a signatory to the Soft Commodities Compact of the Banking Environment Initiative and the Consumer Goods Forum, we are committed to zero deforestation, as evidenced by our CSR policies on palm oil, wood pulp and agriculture. We have moved from a defensive approach to a more collaborative and proactive one — where we encourage our clients to move toward best practices — which makes perfect business sense. We are thrilled to see BNP Paribas ranked as one of only three banks with a maximum score of 5 by the Global Canopy Programme’s Forest 500 initiative.

► How did you put your commitments into practice, and what difficulties did you face?

We aim to embed our environmental and social commitments into internal decision-making processes, but this can be a daunting task in an international bank that employs 190,000 people. Staff training is key: our front officers assess clients, and we systematically provide our opinion. This due diligence process is iterative and we follow up on any issue identified. At the same time, we need to ensure that our CSR policies are up to date, and we must work on developing new policies. When we find issues with a client, we do not automatically exclude them, but engage to help improve practices; for example, regarding the protection of high conservation value or of high carbon stock forests. As a last resort, if a company is not willing to improve, we exit the relationship.

► What changes would help you?

Sometimes we can lose business to other banks with less rigorous CSR standards. The Equator Principles are a good example of how a joint approach can help level the playing field, but we lack similar platforms where we can exchange best practices and align with peers in specific sectors. We have also found, both for us and for our clients, that partnerships with NGOs and consultants are important if we want to deliver progress on the ground.

► Where do you see such commitments into the future?

Zero deforestation commitments are here to stay, in my view, and there will be a continuing move towards more transparency and traceability along supply chains. Zero net deforestation can be difficult to demonstrate, and we should avoid destroying important forests in the first place. As a bank, we are also willing to move from a do-no-harm approach to a do-good approach, by identifying and promoting innovative financing schemes, aimed for instance at improving smallholders’ practices.