



The Banker

Investment Banking Awards 2017

**MOST INNOVATIVE INVESTMENT BANK
FOR CLIMATE CHANGE AND SUSTAINABILITY**

BNP Paribas

Sustainability is one of BNP Paribas corporate and institutional banking's (CIB's) three pillars. And the work the bank is doing for its clients proves how serious it is in this field. For the second year in a row, the French bank picks up the trophy for one of the most competitive categories. The depth and variety of its work that incorporates different aspects of socially responsible investing (SRI) has given it an edge over its rivals.

"From sustainable capital markets innovations such as the World Bank's first sustainable development goals bond in March, to landmark partnerships including our securities services division becoming the first custodian signatory to the UN Principles for Responsible Investing, we have made significant progress in advancing our sustainable finance and investing programme," says Laurence Pessez, group head of corporate social responsibility at BNP Paribas.

BNP Paribas has underwritten more European green bonds than any other bank, is a leading financier of offshore wind and continues to push SRI principles into areas of finance. Earlier in 2017 it was joint bookrunner on a \$139m green asset-backed securitisation (ABS) by Solar Mosaic – the issuer's first ABS – and in 2016 it helped the



Laurence Pessez, group head of CSR, BNP Paribas

state of Connecticut issue a social impact bond, the proceeds from which will help fund in-home treatment for parents dealing with substance abuse. It is also helping to establish France's first social impact bond programme. Known as Contrats à Impact Social, or CIS, it channels private funds into projects that combat social exclusion.

BNP Paribas has also played its part as an issuer, selling its inaugural green bond (a €500m long five-year deal) late in 2016, and continues its ground-breaking work with the

World Bank and other development finance institutions to create new asset classes. It was instrumental in the International Finance Corporation's (IFC's) \$152m so-called 'forest bond' in October 2016, a first-of-a-kind deal that allows bondholders to receive their coupon in cash or carbon credits. Another unprecedented structure involving BNP Paribas and the IFC is a supply chain finance programme that integrates social and environmental criteria. Created for Puma, it incorporates a discounting mechanism that enables the sportswear company to encourage its suppliers to follow SRI principles.

The bank has a dedicated sustainable capital markets team, but SRI principles permeate the entire CIB. Management requires every coverage banker to be able to speak with their clients, be it corporates or institutional investors, about sustainability.



**WE HAVE MADE SIGNIFICANT
PROGRESS IN ADVANCING
OUR SUSTAINABLE FINANCE
PROGRAMME** *Laurence Pessez*

