

BIODIVERSITY

POLICY

POLICY

2025

Foreword

Biodiversity is the living fabric of our planet.

It encompasses all natural environments and forms of life, as well as all the relationships and interactions that exist, on the one hand, between **living organisms** themselves, and on the other hand, between these organisms and **their living environments**.

It provides stocks of natural assets (natural capital) and delivers essential services for the proper functioning of certain activities (ecosystem services):

it is the foundation of our economy and society.

The latest global report from IPBES¹ estimates that around 1 million animal and plant species are currently threatened with extinction, particularly over the coming decades, reaching an unprecedented rate of loss in human history. 73% of wildlife populations have declined since 1970²; about 25% of species are endangered, and the total biomass of wild mammals has dropped by 82%³.

This degradation is a direct and indirect consequence of human activities, which exert major pressures on nature.

1 – Source: IPBES Global Assessment Report, 2019

2 – Source: Living Planet Report, WWF 2024

3 – Source: IPBES Global Assessment Report, 2019

THE CHOICES WE MAKE WILL HAVE AN IMPACT ON THE CLIMATE AND BIODIVERSITY

INDIRECT HUMAN INTERACTIONS

Demographics



Sociocultural



Economy



Technology



Governance



Values



DIRECT HUMAN INTERACTIONS

Fossil fuel
extraction



Exploitation
of land and sea



Overexploitation



Pollution



Invasive
species

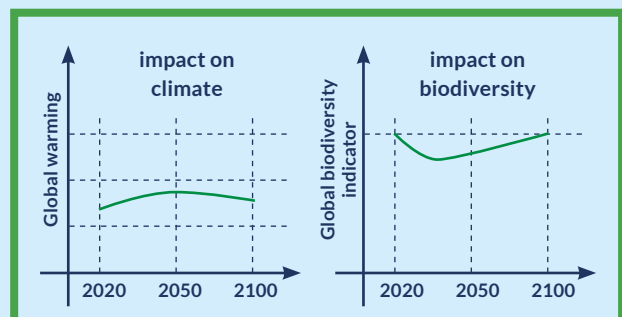
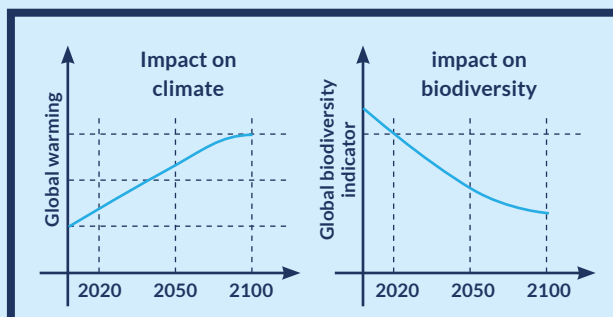


“BUSINESS AS USUAL” SCENARIO

Current policies and values that
exert increasing pressure

TRANSITION SCENARIO

Transformative changes leading to
rapidly decreasing pressures



Source: Living Planet Report, WWF, 2022

There is an urgent need to address the loss of biodiversity, which is one of the United Nations Sustainable Development Goals that must be imperatively achieved in order to maintain a viable world in 2030. This is the purpose of the United Nations Convention on Biological Biodiversity and its Conference of the Parties (COP) on the international scale, but also of European and national policies. It is also a goal pursued under the OECD guidelines for multinationals and initiatives in the financial sector such as the Finance For Biodiversity Pledge, of which LBP AM and La Financière de l'Echiquier (LFDE) are signatories.

This policy reflects the commitment of LBP AM and LFDE to integrate the issue of biodiversity preservation systematically in their investment policy. LBP AM and LFDE aim to mobilise all levers of action at their disposal in order to bring their action into line with the Post-2020 Global Biodiversity Framework, which guides action in favour of the protection of living organisms on the international level.

The LBP AM group focuses in particular on:

- ▶ **Raising awareness and guiding and supporting companies** with a strong impact or dependence on biodiversity to implement a control to manage their risks and impact on biodiversity;
- ▶ **Excluding stakeholders with too significant an impact on biodiversity** without implementing a remediation plan;
- ▶ **Integrating biodiversity data on biodiversity** in our investment decision support tools;
- ▶ **Applying actions favourable to biodiversity protection** in its own operations.

Our measures contribute to **19 of the 23 target actions** defined in the **Kunming-Montreal Global Diversity Framework**, so that the LBP AM group can contribute to the change of course required to conserve nature and deploy a consistent risk management framework for it.

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INTRODUCTION

1.

Biodiversity: a key issue

Biodiversity is defined as the variety of life forms on Earth, comprising three interdependent levels: ecosystem diversity, species diversity, and genetic diversity within these species.

It offers irreplaceable and essential goods and services to humans, such as:

- ▶ **Provisioning services**, like food, water, pharmaceuticals, minerals, etc.;
- ▶ **Regulating services**, such as coastal protection, climate regulation, or pollination;
- ▶ **Cultural services**, essential for sectors like tourism or spirituality for certain populations.

Provided free of charge, they are essential for the proper functioning of our economy. Although complex to estimate, more than half of the world's GDP (55%) would rely on services provided by nature¹, and the dysfunction of key ecosystem services would represent an annual cost of 125 trillion dollars, or 1.5 times the global GDP².

Human exploitation of natural resources and services provided by nature is growing exponentially, at a pace that now threatens its integrity. Human activities exert five types of pressures on biodiversity³:

- ▶ Change in land and sea use and soil artificialization,
- ▶ Overexploitation of biological resources,
- ▶ Climate change,
- ▶ Pollution,
- ▶ Proliferation of invasive species.

Besides the global issue of general biodiversity erosion for our societies, investors in particular need to pay closer attention to biodiversity-related risks for invested companies.

1 - Source: WWF Living Planet Report 2024

2 - Costanza et al. (2014)

3 - https://ipbes.net/sites/default/files/2020-02/ipbes_global_assessment_report_summary_for_policymakers_fr.pdf

These risks are of two kinds:

- ▶ Dependencies on nature, which constitute a ‘physical’ risk for companies when the goods and services provided by nature malfunction or cease;
- ▶ The development of regulations and consumer awareness creates a ‘transition’ risk for companies with a very negative impact on biodiversity.

Therefore, the measurement and transparency of companies regarding their footprints and dependencies on biodiversity is a key issue. The multidimensional and highly localized nature of biodiversity makes it very difficult to holistically understand the footprint and biodiversity risk. The LBP AM Group closely monitors methodological developments to assess these risks, with a view to improving their identification and management within investment portfolios.

2.

A Regulatory and Normative Rise

The United Nations Convention on Biological Diversity⁴ (UN CBD) is the reference convention on biodiversity conservation. Through its Global Biodiversity Framework, it sets action targets to be achieved by 2030. This legally non-binding text must be implemented within each signatory state in the form of “National Biodiversity Strategies” with the possibility of translating these commitments into laws.

European regulations regarding the transparency of economic actors on their impact on biodiversity are already developing:

- ▶ **Article 29 of the French Energy-Climate Law⁵** is the first regulatory text requiring financial institutions to report their biodiversity risk management policy and how they respond to the objectives set by the Convention.
- ▶ In Europe, **the SFDR⁶** (Sustainable Finance Disclosure Regulation) requires investors to report on the activities of financed companies in areas considered sensitive for biodiversity. They can also report on indicators related to the proportion of financed companies with biodiversity or deforestation policies. Additionally, they must report on numerous indicators related to pressures on biodiversity: land use, water use, waste management, consumption of natural resources, climate.

4 - CBD, 2022 <https://www.cbd.int/gbf/>

5 - https://www.legifrance.gouv.fr/jorf/article_jo/JORFARTI000039355992

6 - https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJL_2022.196.01.0001.01.ENG&toc=OJ%3AL%3A2022%3A196%3ATOC

- ▶ Furthermore, **the European Taxonomy**⁷ of sustainable activities includes in its dedicated delegated act a description of activities and criteria to identify activities contributing to the preservation and restoration of biodiversity. Companies and investors will thus have to report on this contribution.
- ▶ **The CSRD**⁸ (Corporate Sustainability Reporting Directive) also extends company reporting on topics related to “Biodiversity and Ecosystems” and “Aquatic and Marine Resources,” as well as pressures such as “Pollution” and “Climate Change” and solutions such as the “Circular Economy.”
- ▶ **Other texts**, focused on controlling specific negative impacts of certain activities, such as deforestation or the use of batteries in the automotive sector, are multiplying in the European Union to regulate company practices on the use of natural resources and preserve ecosystems.

Internationally, voluntary initiatives are being structured to encourage companies to establish policies and objectives for biodiversity conservation:

- ▶ The Science Based Targets Network supports companies in defining action targets for biodiversity conservation: the “Science Based Targets for Nature.”⁹
- ▶ The Taskforce for Nature-Related Financial Disclosure (TNFD) is developing a voluntary reporting framework dedicated to natural capital, aligned with the TCFD on climate.
- ▶ The global goal for nature “Nature-Positive by 2030”¹⁰, which combines reducing the destruction of living organisms and restoring biodiversity, serves as the foundation for the establishment of the Global Biodiversity Framework.

7 - https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en

8 - <https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting>

9 - Currently, three frameworks have been made available on land use, freshwater, and the ocean, respectively.

10 - “A global goal for nature: Nature Positive by 2030” <https://www.naturepositive.org/>

OUR COMMITMENTS



Based on the Kunming-Montreal Global Biodiversity Framework, LBP AM and LFDE commit to biodiversity protection through:

1. **Managing their exposure** to companies with a severe impact on biodiversity that do not implement remediation measures supported by a credible action plan;
2. **Shareholder engagement** to encourage invested companies to manage their impacts on biodiversity and their dependencies on natural capital;
3. **Supporting regulatory initiatives** aimed at strengthening corporate action, including financial institutions, in favor of biodiversity preservation;
4. **Systematically integrating biodiversity** into our analysis and security selection processes;
5. **Monitoring the biodiversity footprint** of its investments;
6. **A CSR action plan** for biodiversity-friendly actions in our own operations.

Finance for Biodiversity Pledge

Since 2021, LBP AM and LFDE have been signatories of the Finance for Biodiversity Pledge¹ alongside their parent company La Banque Postale. Through this international initiative, LBP AM and LFDE commit to:

- ▶ **Sharing** acquired knowledge with other investors;
- ▶ **Measuring** our impact on biodiversity;
- ▶ **Setting targets** to reduce this impact by the end of 2024;
- ▶ **Engaging** in dialogue with invested companies on biodiversity issues;
- ▶ **Publicly reporting** our actions.

This policy is one of the key vectors for implementing this commitment. Additional information can be found in the SRI report as well as in the LBP AM Group's voting and engagement report.

1 - <https://www.financeforbiodiversity.org/about-the-pledge/>

GOVERNANCE OF THE SYSTEM

1.

Validation

The development and updating of the Biodiversity Policy of the LBP AM Group is coordinated by the SRI Solutions team in consultation with the teams involved in its deployment: management, risk, fundamental analysis, and SRI Research.

The policy is validated by the Sustainable Finance Committee, composed of members of the LBP AM Management Board and the general management of LFDE, the heads of management and analysis teams, commercial teams, and the risk management department. It is subject to regular review and updating.

2.

Deployment

The daily responsibility for integrating biodiversity into our operations lies with all employees of the LBP AM Group, particularly regarding the application of provisions related to management, with the teams of managers, analysts, and SRI Solutions.

The implementation of the Biodiversity Policy is monitored by:

- ▶ **The GREaT Committee**, which oversees the cross-functional deployment of engagement and exclusion policies. It ensures the validation of exclusion lists and the monitoring of the execution of engagement campaigns resulting from this policy.
- ▶ **The ESG Committee**, which meets weekly with all members of management, the SRI Solutions team, and the Fundamental Analysis and SRI Research teams, to:
 - **Disseminate information** on trends, risks, and major biodiversity issues;
 - **Determine the prioritization and organization** of enhanced due diligence or engagements in accordance with the Biodiversity Policy.
- ▶ **The management of other commitments** is carried out by the “sustainable finance” committee.

Regular awareness-raising is offered to the group’s employees, as part of management actions or CSR actions.

OUR EXCLUSION POLICY

LBP AM and LFDE are committed to controlling their exposure to companies that have a serious impact on biodiversity and do not implement remediation measures supported by a credible action plan.

1.

Objectives and scope

The exclusion policy of LBP AM and LFDE aims to limit the exposure of LBP AM and LFDE to companies having the most severe and irremediable impacts on biodiversity.

Controlling exposure contributes to:

- ▶ **The voluntary implementation of the duty of vigilance** as established by the OECD principles for multinational enterprises;
- ▶ **The consideration of negative impacts on biodiversity** as defined by the SFDR directive and the “Do No Significant Harm” criterion of the European Taxonomy;
- ▶ **The management of reputational and financial risk** that may arise from investing in companies with highly controversial practices (litigation, business risk, etc.).

This exclusion policy is applied to all open funds of LBP AM and LFDE and offered to clients in closed funds. **It is articulated with the biodiversity engagement policy.**

2.

Data sources

Given the significant number and share of companies having a negative impact on biodiversity, in order to detect those with **the most serious and irremediable impacts**, LBP AM and LFDE rely on:

- ▶ **An analysis of sectors** with critical biodiversity issues using the United Nations ENCORE tool, to prioritize high-stakes sectors;
- ▶ **The “Biodiversity Impact Analytics” database** powered by the “Global Biodiversity Score™”¹ (BIA-GBS) to assess the impact of a company’s activities on biodiversity;
- ▶ **Controversy indicators** published by data providers used by the LBP AM group such as Moody’s ESG, ISS ESG, and MSCI;
- ▶ **Reports from specialized NGOs** analyzing the practices of certain companies.



3.

Approach

The “Biodiversity” exclusion list is established in two stages:

A quantitative analysis, based on 3 criteria, to identify companies with a significant impact on biodiversity:



1 – The Global Biodiversity Score (GBS) is a metric that assesses the impact of a company’s activities on biodiversity, based on the five main pressures exerted on biodiversity. It is broken down into four impact measures, expressed in MSA.km² (Mean Species Abundance per square kilometer), covering both static and dynamic aquatic and terrestrial ecosystems. This means it reflects the average species abundance per km² compared to its original state, thereby quantifying the loss of biological diversity linked to the company’s activities. These four data points are then aggregated into a single metric: the MSA.ppb*, which allows for the mathematical aggregation of impacts of different natures. <https://www.cdc-biodiversite.fr/le-global-biodiversity-score-pour-les-institutions-financieres/>

2 – 50,000 MSA.ppb* corresponds to the 3rd quartile of the database distribution + 75 IQR, indicating an impact that can statistically be considered an extreme value. This threshold may be adjusted based on updates to the database, following the statistical method described above.

3 – Within the sectors identified as the most critical in terms of impacts recorded by the ENCORE tool, classes are defined by combining an industry sector (GICS level 2) with a geographic region (Developed Europe, North America, Developed Asia-Pacific, Emerging Markets). Within these classes, companies whose footprint are statistically significantly higher than their peers are identified, based on a threshold defined as: Q3 + (2.5 * interquartile range). To limit bias, the comparison is made both in absolute terms and by normalizing the score by the company’s Enterprise Value and revenue.

4 – Controversies are reviewed on a case-by-case basis by the ESG Committee of the LBP AM group.

A qualitative analysis of the policies and practices of these companies, which are not included in the exclusion list as long as they meet all the following criteria:

- ▶ The company has a **Biodiversity policy**. This can be dedicated or incorporated into a global CSR policy.
- ▶ The company has conducted an **assessment of its risks, dependencies, and impacts on biodiversity**. It specifies the scope on which it conducted this study and whether it takes into account its supply chain. It provides the plan it is implementing to extend its study to its entire value chain.
- ▶ The company has set **objectives in terms of biodiversity protection and impact reduction with clearly defined deadlines**, aligning with international standards or global objectives such as the **Kunming-Montreal Global Framework**. These objectives primarily focus on its direct activities, and if possible, on its value chain.
- ▶ The company has an **action plan** with a **determined timeframe** and sets intermediate targets to achieve its goal.
- ▶ The company has integrated the notion of **dependence** on natural capital and ecosystem services into its **risk management** policy.
- ▶ The company reports **indicators or metrics** regarding its dependencies or impacts on biodiversity and their evolution to account for progress in achieving its objectives.

In addition, the following practices are encouraged but not discriminatory for the establishment of the exclusion list:

- ▶ **Proactive prevention** of nature and habitat degradation and ecological restoration;
- ▶ Integration of biodiversity issues into **governance principles**, their regular review by governance bodies, to ensure their full integration into the company's strategy;
- ▶ **Research and development actions** in favor of biodiversity restoration and protection.

The list is updated annually and validated within the "GREaT" committee; controversies will be studied on an ongoing basis within the "ESG" committee to feed the deliberation by the GREaT committee.

4.

Thematic Exclusion Policies

a. Deforestation

Forests provide a wide range of ecosystem services essential to human societies and the environment: regulatory services such as carbon sequestration, water regulation, and air quality regulation; support services such as nutrient cycling and soil formation; and cultural services such as tourism, education, or spiritual rites. It is crucial to recognize the value of these services and adopt sustainable practices to preserve them.



The United Nations has established a strategic plan for forests⁵ with the goal of increasing forest area by 3% globally by 2030. While the rate of net forest area loss has significantly decreased since 1990, deforestation and forest degradation continue at an alarming rate, compromising the achievement of this goal⁶

LBP AM and LFDE have implemented a **cross-cutting policy** to exclude producers and traders of agricultural commodities that pose a high risk of contributing to deforestation and have not implemented sufficient preventive measures to prevent this negative impact of their activities on forests. Adopting a risk-based approach, this exclusion policy focuses on the early stages of the agricultural value chain, which have a direct link to the negative impact. The downstream value chain, whose link to the impact is more distant and faces traceability issues, is addressed through the integration policy in asset selection and engagement.

Scope

The exclusion policy related to deforestation risk applies to producers and traders of agricultural commodities deemed to be at high risk of deforestation by the French National Strategy against Imported Deforestation and the European “EU Deforestation-Free Regulation” (EUDR), i.e., actors producing or wholesaling the following commodities⁷:

Soy	Coffee	Palm Oil	Wood, paper, pulp, and derivatives
Cocoa	Rubber	Cattle and derived products (including leather)	

5 – UN Strategic Plan for Forests 2017–2030, <https://www.un.org/esa/forests/documents/un-strategic-plan-for-forests-2030/index.html>

6 – Source: FAO, “The state of the world’s forests”, 2020

7 – Identified through various data sources (see “Identification of companies whose risk must be assessed”, p. 19)

In 2023, the LBP AM group is evolving its policy to include the possibility of adding mining companies to the scope based on controversies or poor practices highlighted by legal proceedings. The correlation between certain mining deposits and deforestation fronts can be significant, depending on the minerals.

Identification of companies whose risk must be assessed:

Producers or traders of high-risk agricultural commodities

Producers or traders of high-risk commodities are primarily identified according to the following sources:

COMMODITY AT RISK	DATA SOURCES		
	MSCI	CDP	SPOTT
Soy	✓	✓	
Cattle and derived products (including leather)	✓	✓	
Wood, paper, pulp, and derivatives	✓	✓	✓
Palm Oil	✓	✓	✓
Rubber		✓	✓
Coffee		✓	
Cocoa		✓	

Mining companies exposed to significant controversies

The identification of mining companies exposed to significant controversies is primarily carried out via the data provider RepRisk⁸.

Identification of high-risk companies for agricultural commodities

Based on the previously established list of companies, an identification of those presenting significant risk factors for causing or contributing to activities associated with deforestation is established based on the following criteria⁹:



⁸ – Based on the scope of the mining sector, by observing companies that have recorded more than one “very severe” controversy on the subject over the past year.
⁹ – Source: MSCI

Risk management and practice evaluation

High-risk agricultural commodity companies

Due diligence is conducted on companies on this high-risk list to assess their deforestation risk management policies and practices and their implementation.

In accordance with the principles of the Accountability Framework Initiative¹⁰, the LBP AM group expects high-risk companies to have implemented the following principles, prioritized according to the company's profile:

- ▶ **Mapping their supply chain and activities** to identify high-risk commodities and geographic areas to which they are exposed,
- ▶ **Formalizing a Zero Deforestation and Conversion objective by 2025**, covering a holistic scope:
 - Covering all high-risk commodities to which the companies are exposed;
 - Covering the entire supply chain and direct activities (all geographies);
 - Including both legal and illegal deforestation.
 - Not relying on compensation through ecological restoration to achieve this goal (no Net Zero Deforestation objective);
- ▶ **Translating this objective** into their supply contracts (if applicable), through binding clauses on results and traceability of these results for agricultural commodities.

This due diligence is conducted based on public policies and company reports; or relying on specialized data sources such as CDP Forests and Forest 500.

Mining companies

For mining companies, the LBP AM group will conduct a qualitative analysis of:

- ▶ **Their management of the controversy** and, if applicable, the implementation of remediation and compensation measures;
- ▶ **The preventive measures** put in place to ensure that they do not deforest high biodiversity value areas, particularly the exclusion of any activity in "protected" areas and UNESCO World Heritage sites, as well as enhanced due diligence on deforestation risk near primary forests or sensitive biodiversity areas;
- ▶ **The compensation** of activities that have caused deforestation or conversion by following the principle of "No Net Loss" on forest cover in all geographic areas of the company's activities. This ecological restoration must be framed by a good practice framework such as that of the "Society for Ecological Restoration"¹¹
- ▶ **The company's commitment** to align with the goals of the Kunming-Montreal Global Biodiversity Framework¹²

10 - <https://accountability-framework.org/>

11 - <https://www.ser.org/page/mining>

12 - A useful source for this purpose may be the ICMM report "Opportunity to Contribute to the Global Biodiversity Framework"; https://www.icmm.com/website/publications/pdfs/environmental-stewardship/2023/factsheet_nature-gbf.pdf?cb=60001

b. Pesticides

The term “pesticides” includes two families of substances:

- ▶ **Biocides**, intended to destroy, repel or render harmless harmful organisms such as insects, rodents, bacteria, molds, algae, etc. They are used in various contexts, such as domestic hygiene, public health, food industry, construction products, and to prevent diseases, infections and material damage.
- ▶ **Phytopharmaceutical or phytosanitary products**, used to protect cultivated plant species against harmful insects and diseases, and improve yields. They include insecticides, fungicides, herbicides, nematicides (nematodes, parasitic worms) and acaricides (mites).



The negative impacts related to the use of pesticides can be:

- ▶ **Decline in insect and pollinator populations**, particularly related to insecticides and especially neonicotinoids¹³
- ▶ **Disruption of biodiversity and ecosystems**, through the direct or indirect disappearance of certain animal or plant species (poisoning, disruption in the trophic chain...) notably of species listed as threatened by the IUCN¹⁴
- ▶ **Water pollution**, from groundwater to rivers, threatening the integrity of aquatic organisms.
- ▶ **Soil pollution**: pesticides can persist in soils for several decades depending on the molecules and accumulate over time, causing harmful consequences to organisms present in the soils, thus reducing soil fertility and health.
- ▶ **Resistance developed by organisms to pesticides**, requiring increased doses or alternative use of more powerful chemicals.
- ▶ **Impacts on human health**: some molecules are declared carcinogenic or endocrine disruptors and repeated exposure to them can affect the health of the population on a large scale¹⁵

13 – “Pollinators, pollination and food production”, IPBES, 2016

14 – “Impacts des produits phytopharmaceutiques sur la biodiversité et les services écosystémiques ; Synthèse de l'expertise scientifique collective”, INRAE, 2022

15 – “Effets des pesticides et des engrais sur l'environnement et la santé et solutions envisageables pour les réduire au minimum, Vers un monde sans risques chimiques”, UNEP, 2022

These impacts have led to a classification of pesticides based on their level of danger (WHO 1978) and the obligation to withdraw several products from the market.

Several international objectives have been established to reduce the use of pesticides and promote more sustainable alternative agricultural practices:

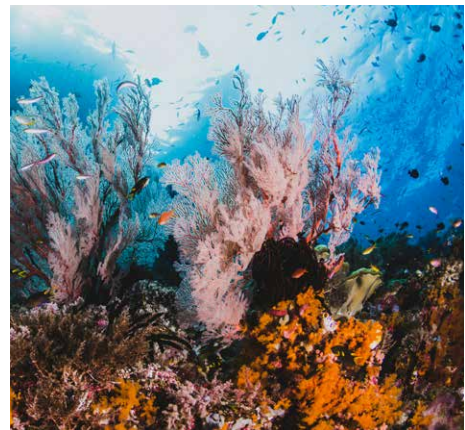
- ▶ The Kunming-Montreal Global Framework (2022) sets the 7th target for 2030 to “**reduce by at least half the overall risk related to pesticides and highly hazardous chemicals**”,
- ▶ The Stockholm Convention on Persistent Organic Pollutants (POPs) encourages parties to gradually **reduce the use of certain persistent pesticides** and **promote safer alternatives**.
- ▶ The European biodiversity strategy for 2030 provides specific measures to **reduce the use and risks of pesticides**. France has set a target to reduce the use of phytosanitary products by 50% by 2025.

Starting from the first quarter of 2024, LBP AM and LFDE will exclude investments in companies whose more than **20% of revenue** comes from the manufacture or sale of pesticides, including herbicides, fungicides and insecticides dedicated to agriculture, in order to contribute to achieving these objectives¹⁶

16 – Companies will be identified by Sustainalytics and may be added to the list following a review by LBP AM, if necessary.

c. Deep-sea mining

The ocean is the largest ecosystem on the planet, covering more than 70% of its surface and hosting 80% of all forms of life. According to the OECD, ocean-related sectors contributed approximately 1.5 trillion dollars (USD) to global gross value added in 2010, which could reach 3 trillion dollars by 2030, with some ocean industries expected to grow faster than the global economy¹⁷.



Today, there is little independent scientific research on the biology, ecology and ecosystem functions of the deep seabed. Without this information, the risk of deep-sea mining cannot be fully understood and managed, and could notably cause the loss of important and vulnerable species, as well as negative impacts on the ecosystem's ability to store and sequester carbon.

Following these concerns, **32 states, including France**, have advocated for the definition of an international legal framework to end deep-sea mining, until a set of conditions related to environmental damage prevention, good governance and obtaining social license are met¹⁸.

Following this precautionary principle, LBP AM and LFDE have now implemented a transversal policy to exclude, in the absence of local or international regulations on the matter, any financing and investment:

- ▶ in **companies** whose activities exclusively or almost exclusively concern deep-sea/seabed mining¹⁹, and/or
- ▶ deep-sea mining **projects**

until scientific research provides more insights into the consequences of this type of activity on deep ecosystems and the cost-benefit analysis (socio-economic and environmental) compared to terrestrial mines²⁰. This commitment is made subject to the availability of data from recognized ESG data providers.

17 - [Harmful marine extractives: Deep-Sea Mining – United Nations Environment – Finance Initiative](#)

18 - [Momentum for a Moratorium - Deep Sea Conservation Coalition](#)

19 - See the list of 'pure players' from the NGO Planet Tracker.

20 - This moratorium is based on the precautionary principle (enshrined in French constitutional law and European law). The French Government has repeatedly expressed its opposition to the exploration and exploitation of mining areas in the deep seabed of the high seas – that is, beyond the Exclusive Economic Zone (EEZ), 200 nautical miles from the coast (approximately 370 kilometers) – due to its multiple impacts (on marine biodiversity and the climate). For more information: <https://www.mnhn.fr/fr/le-deep-sea-mining-un-danger-pour-l-ocean-profond>

5.

Enhanced Due Diligence and Specific Exclusion Policies for Real Assets

LBP AM invests through its real asset investment activities in real estate, infrastructure, and corporate assets. The establishment of these activities in sensitive biodiversity areas can have significant impacts on biodiversity by fragmenting habitats.

To contribute to Target 3 of the Global Biodiversity Framework, the Real Assets department of LBP AM implements due diligence actions to avoid contributing to the disruption of sensitive habitats.

Identification of Areas

The identification of these areas is carried out prior to investment for each project. It is based on a mapping of the implementation area with the following references:

- ▶ **The “Biodiversity Risk Filter”²¹**, developed by WWF aggregates various data sources to identify risk areas in terms of biodiversity, in particular:
 - **Protected and Conservation Areas²²**;
 - **Key Biodiversity Areas²³**;
 - **Other important undelimited areas**, such as intact forest areas or sensitive marine areas according to WWF analysis²⁴.
- ▶ **The UNESCO “World Heritage”²⁵** lists sites representing natural assets of exceptional interest for the common heritage of humanity: “natural” sites, “cultural” sites, and sites combining the two previous qualifiers, called “mixed” sites.
- ▶ **The Ramsar Convention** or “Convention on Wetlands of International Importance especially as Waterfowl Habitat” is an international treaty dating from 1971 with 172 contracting countries, aimed at protecting wetlands. These areas, vital for the survival of humans and many other species, are among the richest in biodiversity on the planet. The convention lists them in the “Ramsar List”²⁶ maintained by the Convention.

21 – <https://riskfilter.org/biodiversity/explore/map>

22 – The data underlying the BRF indicator comes from the UNEP-WCMC’s World Database of Protected Areas (WDPA), which identifies geographic areas overlapping with protected zones classified by the IUCN between categories I and IV. As of 2025, WWF had not yet included conservation areas, as the coverage was not considered representative.

23 – Key Biodiversity Areas identified using data from the “World Database of Key Biodiversity Areas” by the NGO BirdLife International.

24 – https://cdn.kettufy.io/prod-fra-1.kettufy.io/documents/riskfilter.org/BiodiversityRiskFilter_Methodology.pdf

25 – <https://whc.unesco.org/en/interactive-map/?search=&type=natural&components=0>

26 – <https://www.ramsar.org/fr/document/la-liste-des-zones-humides-dimportance-internationale>

- ▶ **The NGO network “Global Forest Watch”**, founded by the World Resources Institute, collaborates with governments to create regional and national maps²⁷ gathering various data points on forest evolution, land use, land use, climate and biodiversity. **In particular, these maps allow the identification of the following areas to avoid any new establishment in these areas:**
 - **Biodiversity hotspots** or “sensitive biodiversity areas”, as defined by “Conservation International”²⁸;
 - **Mangroves²⁹, peatlands³⁰ and forests with a high integrity index³¹** to prevent the risk of deforestation or ecosystem conversion, particularly in primary forests.
- ▶ **Natura 2000** is a network of protected areas covering the most valuable and threatened species and habitats in Europe. It is the largest coordinated network of protected areas in the world, spanning the 27 EU member states, both on land and at sea. Natura 2000 sites are designated under the “Birds” and “Habitat” directives. Target 1 of the GBF provides for significant improvements in the conservation status of species and habitats protected by the aforementioned directives³².

Real Estate: Exclusion Criteria

Real estate assets will exclude from their investment scope any new project (“green field”) in the areas listed in the table.

Biodiversity References and Exclusion Criteria

The diversity of infrastructure asset types can represent a challenge in terms of retrieving location data, particularly for linear assets (road or rail infrastructure) or infrastructure project portfolios (renewable energy project portfolios, telecommunications tower parks, etc.). The Real Assets department integrates, as far as possible, an evaluation of the location of assets in relation to these areas into its responsible due diligence questionnaire.

This approach aims to raise awareness among intermediaries of the importance given by investors to the identification of project locations, as well as to feed into due diligence if they affect one of the sensitive habitats³³. In this case, the SRI Solutions team studies the policies, environmental due diligence, and/or remediation actions planned by the project sponsor, in order to decide on its financing.

27 - <https://www.globalforestwatch.org/map/>

28 - <https://www.conservation.org/priorities/biodiversity-hotspots>

29 - The data used stem from the programme Global Mangrove Watch; <https://www.eorc.jaxa.jp/ALOS/en/kyoto/mangrovewatch.htm>

30 - The peatlands are identified by matching 5 datasets from Global Forest Watch

31 - Integrity Index as determined by the Global Forest Cover method. The data were collected through Google Earth Engine. Areas with an index $\geq 9/10$ are excluded from the investable perimeter.

32 - <https://www.natura2000.fr/qu-est-ce-que-natura-2000>

33 - See “Identification of areas”, previous page.

BIODIVERSITY REFERENCES AND EXCLUSION CRITERIA

REFERENCE FRAMEWORK	INFORMATION PROVIDED	EXCLUSION CRITERIA	RATIONALE
Biodiversity Risk Filter (WWF)	Protected and conservation areas	“Very High Risk”	Areas with 30% or more overlap with a protected or conservation area
	Key Biodiversity Areas	“High Risk” or “Very High Risk”	Areas with 10% or more overlap with a Key Biodiversity Area (KBA)
	Other undefined important areas	“High Risk” or “Very High Risk”	Areas with 30% or more overlap with a protected or conservation area
World Heritage Sites (UNESCO)	UNESCO World Heritage natural and mixed sites	All “nature” and “mixed” sites	Sites representing natural assets of exceptional interest for the common heritage of humanity
Ramsar Convention	Ramsar sites (wetlands)	All sites included in the Ramsar list	Wetlands are vital for the survival of humans and many other species, and are among the richest areas in biodiversity on the planet
Global Forest Watch	Biodiversity hotspots	Any “sensitive area”	Sensitive areas as defined by ‘Conservation International’
	Mangroves	Any mangrove	Mangroves are forests growing in saltwater. Their exclusion from the investment perimeter is part of the fight against deforestation and climate change
	Peatlands	Any peatland	A peat bog is a wetland area colonized by vegetation in a water-saturated environment. Their exclusion is part of an effort to preserve these ecosystems, which are rich in biodiversity and have a significant climate impact
	Forest cover integrity index	Area with an index $\geq 9/10$	Areas with an index of 9/10 or higher correspond to primary forests or forests with intact biodiversity

OUR ENGAGEMENT POLICY

LBP AM and LFDE are committed to engaging with invested companies to encourage them to manage their impacts on biodiversity and their dependencies on natural capital.

1.

Calculation of Dependencies on Ecosystem Services and Natural Capital

The LBP AM group regularly calculates the natural capital dependencies of invested companies through the ENCORE tool, which allows for the assessment of the main dependencies on natural capital and ecosystem services for each sector of activity.

The calculation of these dependencies informs risk management measures, particularly to guide the prioritization of shareholder engagement themes.

Given the prominent risk of water dependency and protection against extreme aquatic events for the portfolio, LBP AM develops a specific engagement approach, alongside the holistic engagement conducted on biodiversity.

2.

Bilateral engagement



a. Biodiversity

LBP AM and LFDE engage in dialogue with certain companies belonging to key sectors for biodiversity to enhance their understanding of issues, develop and deploy their sectoral expectations in biodiversity management.

LBP AM and LFDE encourage invested companies to implement the following measures:

Governance and Reporting

- ▶ **Biodiversity-related issues** must be overseen by the board of directors. The biodiversity policy, its integration into the company's strategy, and the resulting key decisions must be validated by the company's governance bodies.
- ▶ **Integration of biodiversity-related criteria** and the company's main impacts into the variable remuneration criteria of the company's executives, in line with the strategy and defined objectives.
- ▶ **Implementation of awareness/training initiatives** for the company's employees, and in line with the strategy and defined objectives, stakeholders upstream and downstream of the value chain.
- ▶ **Regular reporting** following the TNFD framework¹ and regular reporting to specific reporting initiatives, such as CDP².
- ▶ **Partnerships with external reference bodies** are encouraged (NGOs, research laboratories, universities...)

Company Policy, Objectives, and Actions

- ▶ **Definition of a biodiversity policy** to manage dependencies on natural capital and risks of negative impacts on biodiversity in its activities, including:
 - An analysis of the dependencies of the company's activities and assets and its value chain on natural capital and ecosystem services;
 - An analysis of the impacts on biodiversity of the company's direct or indirect activities;
 - Reporting on the scope and results of these analyses;
 - Based on these analyses, setting objectives to reduce the impacts of the company's activities on nature, aligned with the Kunming-Montreal Global Biodiversity Framework³ and/or setting objectives according to the principles of the "Science Based Targets for Nature" initiative⁴;

1 - <https://framework.tnfd.global/dashboard/>

2 - "Climate", "Water" and "Forest"

3 - <https://www.cbd.int/doc/c/e6d3/cd1d/daf663719a03902a9b116c34/cop-15-l-25-en.pdf>

4 - <https://sciencebasedtargetsnetwork.org/take-action-now/take-action-as-a-company/what-you-can-do-now/>

- An action plan clearly outlining the levers implemented to achieve these objectives⁵;
- Regular reporting of KPIs demonstrating progress towards achieving these objectives;
- Third-party audit of disclosed information;
- Implementation of a risk management policy related to the dependencies established by the company.

► **Implementation of a responsible procurement policy** specifying the obligations for suppliers to comply with the company's biodiversity policy principles, as well as the implementation of contractual clauses⁶ to limit their impact on biodiversity, which must be verified.

► **Publication and application of an influence policy** aligned with the principles of the Global Biodiversity Framework and scientific bodies (IPBES) and transparent reporting of its application.

Companies identified as having controversies over practices exerting pressure on biodiversity may be subject to engagement to assess remediation measures implemented and prevent recurrence. If this engagement does not achieve these objectives, LBP AM and LFDE will deliberate escalation measures within a dedicated committee. In case of exclusion, they may consider monitoring the company so that, when these measures are implemented, it can be reintegrated into the investment universe.

LBP AM and LFDE's expectations will be based on the following elements, tailored to the company's specific issues:

- **Deployment of reporting** according to the TNFD framework and compliance with future CSRD standards;
- **Deployment of commitments and objectives** set by the Global Biodiversity Framework of the Convention on Biological Diversity;
- **Sectoral guides** from the Finance for Biodiversity Pledge on engagement;
- **Sectoral guides** from WBCSD
- **The framework of Science Based Targets for Nature**, including the analysis of pressures from key sectors for biodiversity.
- **Main sectoral issues** according to the ENCORE database
- **Scientific reports and NGO studies** specific to the company and its sector of activity.

LBP AM commits to engaging **annually** with companies from at least two sectors on the biodiversity issues most material to them. Companies will be prioritized based on their level of impact; controversies they are involved in; the LBP AM Group's capital holdings; or the weight these companies represent in the LBP AM Group's total investments.

5 - The objectives can be set on a pressure point in particular, a type of ecosystem, etc., but must take due account of the notion of prioritisation linked to the main impact of the company's activities and the sensitivity of the locations affected.

6 - The clauses must be framed by thresholds, dates and penalties in the event of non-compliance.



b. Deforestation

The LBP AM group conducts a specific dialogue with companies in the agri-food, textile, automotive, and manufacturers of automotive parts and batteries sectors to encourage these companies to implement a Zero-Deforestation and Conversion policy by 2030.

In 2023, LBP AM and LFDE become members of the CDP Forest Champions initiative and submit their entire portfolio of open funds to study to identify the raw materials, sectors of activity, and geographies at risk of deforestation to which they are most exposed. This study notably helps inform the selection of companies with which to carry out engagement actions on deforestation and can be renewed over time to update the results obtained.

The LBP AM group expects the following measures from invested companies:

- ▶ **An analysis of exposure to deforestation risk**, based in particular on:
 - An inventory of raw materials at risk;
 - A mapping of production sites and identification of products from deforestation fronts;
 - A census of suppliers and implementation of traceability from the field/birth to the transformation of the raw material as defined in the European regulation on Imported Deforestation⁷ (EU DR).
- ▶ The formalization of **Zero Deforestation and Conversion** commitments according to the format recommended by the Accountability Framework Initiative⁸, notably not including compensations related to reforestation actions and integrating the issue of respecting the rights of indigenous populations.
- ▶ The implementation of a **responsible purchasing policy** incorporating clauses related to compliance with this objective, supported by supplier reporting and regular audits of the application of these clauses.
- ▶ **Public disclosure** of its commitments, its action plan, its exposure to deforestation, and the level of achievement of its various objectives, specifying the scope of the measure and the proportion of traceable activities.
- ▶ **Transparency** on the policy and influence practices related to deforestation issues. In this regard, we have integrated into our monitoring axes the optional PAI (principal adverse impacts) on the presence of a deforestation policy, in connection with the SFDR regulation, to monitor their practices and inform engagement actions with companies.
- ▶ Where applicable, **actions to contribute to ecological restoration** taking into account the integrity of the restored ecosystem and the sustainability of the actions carried out in the long term.

7 - https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

8 - The Framework Initiative is a guide that companies can use to set ambitious and holistic objectives in combating deforestation and ecosystem conversion; <https://accountability-framework.org/>



c. Pesticides

LBP AM and LFDE engage in dialogue with companies involved in the use of pesticides, particularly in the downstream part of the value chain such as the agri-food and textile sectors, to promote the reduction of their use as well as the transition to sustainable agricultural practices in the value chain.

It expects the following measures from invested companies:

- ▶ A plan to **reduce the use or production of pesticides** by 2030, in line with Target 7 of the Kunming-Montreal Global Biodiversity Framework and the European Union's "Farm to Fork"⁹ Strategy aimed at reducing the risks posed by the use of pesticides;
- ▶ A credible plan to **stop the use or production of highly hazardous pesticides (HHPs)** by 2030¹⁰
- ▶ The plan may notably be based on:
 - A specification defining the rules for the use of pesticides within its own activities and those of its purchases (quantity per unit of production; type of products used; technologies used for spray control);
 - A product selection strategy, which can be integrated when relevant into the purchasing policy, encouraging its suppliers to use alternative solutions to agricultural chemicals and to implement more sustainable practices (agroforestry, soil conservation agriculture, agroecology) and establishes incentive mechanisms (financial among others);
 - A precise traceability system for the use of pesticides and synthetic fertilizers in the life cycle of its products, over the widest possible scope of products and suppliers.
- ▶ **Reporting on the proportion of products** from crops that do not use chemical pesticides and establishes clear communication to the consumer on the presence/absence of pesticides in its products and awareness-raising actions on the benefits of pesticide-free products;
- ▶ **The publication of an influence policy** specifying the company's stance on the use of phytosanitary products and exemplary transparency on the associated advocacy practices.

9 – https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en

10 – Target recommended by the WHO, the European Chemicals Agency, the International Agency for Research on Cancer and the US Environmental Protection Agency.



d. Water

The scarcity of water resources and the degradation of their quality is a major challenge because water, a source of life and a common good for all living beings, is an essential pillar of ecological stability and economic activity.

According to the WHO, one-third of the world's population does not have access to safe drinking water, and a quarter of the population lives in an area of extreme water stress¹¹. Economic activities increase pressures on the availability and quality of the resource, directly through their withdrawals and the discharge of pollutants, and indirectly through their contribution to climate change, which amplifies the scarcity of the resource and the eutrophication of waters.

The United Nations Water Strategy¹² defines an action plan to meet the targets set within the Sustainable Development Goal on water¹³. It sets, among other things, the following objective: "By 2030, ensure universal and equitable access to safe and affordable drinking water for all." To achieve this, it is essential that economic actors adopt sustainable management of water resources.

Water resources are one of the most salient areas of dependence on natural capital for the LBP AM group's portfolios. Member of the Valuing Water Finance Initiative¹⁴, LBP AM engages with the most at-risk companies to encourage them to implement sustainable water management measures adapted to their activities: quantity of water used, degradation of water quality caused by these activities, degradation of aquatic ecosystems, and access to water/hygiene/sanitation.

To do this, it can rely on the "Global Assessment of Private Sector Impacts on Water"¹⁵ report by CERES and the Global Institute for Water, as well as the "Impact Index; Water Watch" by CDP (see table "Impacts on water of different sectors of activity at each stage of the value chain" page 35).

It expects the following measures from invested companies:

Management of the quantity of water consumed and the impact on access to water

- ▶ The realization of the **company's water footprint** by site, region, activity segment, type of withdrawal, including the scope of its value chain.
- ▶ A **mapping of water withdrawal sites** and their concordance with areas of high water stress¹⁶, including, where possible, the value chain, and a study of the impact of its withdrawals on local populations and other activities/uses.

11 - "17 Countries, Home to One-Quarter of the World's Population, Face Extremely High-Water Stress", Hofste, Reig and Schleifer, 2019

12 - <https://www.unwater.org/>

13 - <https://sdg6data.org/en>

14 - <https://www.ceres.org/water/valuing-water-finance-initiative>; Valuing Water Finance Initiative: A global collaborative engagement initiative focused on companies with a high-water footprint, aiming to encourage them to recognize water as a financial risk and to implement the necessary measures to protect water resources.

15 - <https://valuingwaterinitiative.org/wp-content/uploads/2022/04/Ceres-Global-Water-Assessment-2022.pdf>

16 - Strongly recommended use of tools such as WRI Aqueduct or the WWF Water Risk Filter.

- ▶ The **setting of water consumption reduction targets**, including a specific action plan for the preservation of aquifers in areas of water stress or exit from areas of high water stress. Public disclosure of KPIs showing progress towards achieving these targets. In this regard, we have integrated the optional PAI (principal adverse impacts) on the presence of a water management policy, in connection with the SFDR regulation, to monitor and feed engagement actions with companies.
- ▶ An eco-design approach to products based on a life cycle analysis to **evaluate and optimize water consumption**.
- ▶ The deployment of **sectoral best practices**¹⁷
- ▶ **Compliance with WASH principles**¹⁸

Management of water quality and pollutant emissions and degradation of ecosystems

- ▶ **A regular analysis of the impact of activities** on the quality of nearby surface and groundwater.
- ▶ The implementation of **an action plan to reduce water pollution** according to sector best practices¹⁹, prioritizing sites with high water stress, including specific reduction targets for discharges/pollution by substance and site.
- ▶ **The publication of KPIs** to monitor progress towards these targets. In this regard, the LBP AM group monitors water pollution from companies in its portfolio through PAI 8 on water pollution, from the SFDR regulation.
- ▶ The implementation of **remediation plans** in case of incidents causing aquifer pollution, including depollution and restoration or renaturation actions of basins/wetlands/watersheds.
- ▶ **A mapping of activities near critical ecosystems** for freshwater supply or ecosystems with sensitive aquatic biodiversity and the implementation of a protection plan for these ecosystems.

Governance; Relations with suppliers and customers

- ▶ **The publication of an influence policy** specifying the company's stance on water use and pollution and exemplary transparency on associated advocacy practices.
- ▶ In case of major impacts, the water management **strategy**, as well as the resulting key decisions, must be **validated by the company's governance bodies**.
- ▶ The implementation of a **responsible procurement policy** specifying the obligations for suppliers to comply with the company's water management policy principles, as well as the implementation of **contractual clauses**²⁰ on responsible water use, particularly in areas of high water stress, prevention of water pollution, and implementation of remediation plans in case of incidents, and preservation of ecosystems, particularly critical for freshwater supply or with sensitive aquatic biodiversity.
- ▶ Implementation of **awareness/training initiatives for the company's stakeholders**²¹ on water and its preservation.

17 – For example, the use of closed-circuit water for mining companies; smart irrigation systems and cover cropping for agriculture. These measures must be supported by scientific sources.

18 – <https://www.ion.int/water-sanitation-and-hygiene>

19 – Example: reducing the use of chemicals and pesticides when activities take place in areas of high-water stress; using buffer zones to limit the discharge of pollutants into watersheds.

20 – Clauses must be framed by thresholds, deadlines, and penalties in case of non-compliance; as well as

21 – Including clients, through corporate communication and the identification of products with a water footprint that have undergone eco-design.

IMPACT OF DIFFERENT SECTORS ON WATER
AT EACH STAGE OF THE VALUE CHAIN

GICS SECTOR	SUPPLY CHAIN		DIRECT OPERATIONS		USE OF THE PRODUCT / END OF LIFE	
	Quantity of water	Quality of water	Quantity of water	Quality of water	Quantity of water	Quality of water
Food products	3	3	2	2	—	—
Beverages	3	3	2	2	—	3
Household products	—	1	—	1	—	2
Personal products	—	—	—	1	—	2
Textiles, clothing and luxury products	2	2	1	3	—	2
Automobiles and parts	—	1	—	1	—	1
Hotels, restaurants and leisure	—	—	1	—	—	—
Oil and gas	2	3	2	3	—	1
Consumable fuels	1	—	1	—	—	—
Construction and buildings	1	1	1	1	—	—
Electroplating	—	—	—	2	—	—
Pharmaceuticals	—	—	—	3	—	3
Chemicals	2	2	1	3	—	—
Building materials	—	—	1	—	—	—
Metals and mines	2	2	2	3	—	—
Paper and forest products	2	2	2	3	—	—
High technology and electronics	2	2	2	2	—	—
Semi-conductors and printed circuits	—	—	1	2	—	2
Batteries	2	2	—	2	—	2
Renewable electricity	—	—	3	1	—	—
Public electricity services	—	—	—	1	—	—

3 Very high risk

2 High risk

1 Medium risk

— Not enough information



e. Circular economy

The circular economy consists of imagining a way to reuse existing resources to create new ones, based on the following principles:

- ▶ **Rethink:** through eco-design
- ▶ **Refuse:** the consumption of unnecessary products
- ▶ **Reduce:** the use of resources and overall consumption
- ▶ **Reuse:** products and resources in a state to be reused
- ▶ **Repair**
- ▶ **Refurbish/Recondition**
- ▶ **Repurpose or Reuse:** for products whose initial use can no longer be ensured but can be directly used in an alternative use or used in another manufacturing process
- ▶ **Recycle:** as a last resort, products and resources that can no longer be used in their current state
- ▶ **Return to Earth:** through composting or anaerobic digestion

This concept can be applied in most sectors of activity to reduce pollution; greenhouse gas emissions; waste generated; overexploitation of resources; land and sea use change, and habitat fragmentation. It has the co-benefits of reducing production costs associated with the use of new resources. It also contributes to territorial economic development, particularly through the creation of jobs dedicated to repair, reuse, and recycling sectors (see diagram “The circular economy: 3 pillars, 7 areas” page 37).

Based on the work of the Ellen MacArthur Foundation²² and INEC²³, the LBP AM group encourages invested companies to implement the following measures:

- ▶ **Sustainable sourcing:** implementation of a responsible procurement policy optimizing the extraction and exploitation of resources by limiting exploitation waste and environmental impact²⁴
- ▶ **Eco-design:** systematic review through Life Cycle Analyses of the resource efficiency of products and eco-design practices to minimize environmental impacts and avoidable consumption; design facilitating the separation and recycling of components and limiting the impact of the product at the end of its life.
- ▶ **Extending the lifespan:** implementation of traceability and reporting on the average lifespan of products and deployment of strategies to extend the duration of use by the consumer²⁵

22 - <https://ellenmacarthurfoundation.org/>

23 - <https://institut-economie-circulaire.fr/>

24 - In particular in the utilisation of energy and mineral materials (mines and quarries) or in agriculture and forestry.

25 - Through the repair, resale, or donation of used goods, or through the purchase of used goods within the framework of reuse or repurposing.

- ▶ **Industrial and territorial ecology:** implementation of an inter-company organization mutualizing needs and structuring the exchange of flows²⁶
- ▶ **Functional economy:** commercial strategy offering services in the logic of the functional economy, favoring use over ownership and the sale of services related to products rather than the products themselves.
- ▶ **Responsible consumption:** implementation of training/awareness initiatives for the company's stakeholders on the importance of adopting a reasoned consumption leading the buyer to make their choice taking into account the environmental impacts of the product.
- ▶ **Reuse:** implementation of measures and/or support for the necessary infrastructure for the reuse of products (deposit systems, logistics for recovery, repair, and reconditioning of products or organization of their reuse through partner organizations²⁷, active consumer awareness, and implementation of incentive mechanisms).
- ▶ **Recycling:** implementation of measures and/or support for the necessary infrastructure for the recycling of products that cannot be reused:
 - Active participation in the collection of products from the consumer
 - Provision of means for sorting and processing components;
 - Use of recycled components by setting target thresholds for recycled components by a specific date per product;
 - Clear communication on the progress of work towards achieving these targets;
 - Public reporting of these ambitions, action plan, and progress indicators.

26 – To avoid losses and limit the use of individual services.

27 – Example: second-hand platforms or sale of refurbished equipment.

THE CIRCULAR ECONOMY: 3 PILLARS, 7 AREAS
























































The pillars of the circular economy, INEC and ADEME

3.

Collaborative Engagement

LBP AM and LFDE also participates in collaborative engagement initiatives on themes addressing pressures on biodiversity.

COLLABORATIVE ENGAGEMENT						
COORDINATOR	COLLABORATIVE ENGAGEMENT THEME / WORKING GROUP					
CERES	Food & Nature Working Group					
	Responsible raw material production and fight against deforestation					
	Water management working group in the high-tech sector (upcoming)					
	Water resource valorization initiative					
FAIRR	Sustainable proteins					
	Sustainable aquaculture and responsible sourcing of aquaculture feed					
	Responsible use of antibiotics and antimicrobials					
	Waste and pollution					
Rainforest Action investor coalition	Deforestation in the automotive supply chain					
CDP	Reporting – «Forests» Questionnaire					
	Reporting – «Water» Questionnaire					
ShareAction	Use of agricultural chemicals					
Nature Action 100	Biodiversity					
Finance for Biodiversity	Promoting biodiversity action through responsible investment in the textile sector					
Institut de la Finance Durable	Biodiversity working group					
Club B4B+ (CDC Biodiversité)	Finance and Agri-food working group					
		 Land and sea use change	 Over-exploitation of resources	 Climate change	 Pollution	 Proliferation of invasive species

4.

Biodiversity Voting Policy

A growing number of companies are defining energy and ecological transition strategies with objectives to reduce their impacts on climate and biodiversity. These plans can be submitted to shareholder advisory votes through resolutions commonly known as “say-on-climate” or “say-on-nature.” The LBP AM group is in favor of introducing a regular vote on the holistic environmental strategy of companies and the associated objectives, as well as on a report detailing the implementation of this strategy. LBP AM particularly encourages listed companies with high greenhouse gas emissions and significant biodiversity impacts to submit these resolutions to shareholder votes.

These resolutions are analyzed on a case-by-case basis by LBP AM. This analysis takes into account the characteristics of the plan submitted to the vote, the level of ambition of the plan and its transparency, particularly with regard to sectoral best practices or comparable companies.

The LBP AM group encourages companies to develop and submit a detailed, precise strategy based as much as possible on market references.

This strategy should apply the sequence:



and be articulated and coherent with the group’s overall strategy, particularly in its investment policy.

On the biodiversity front

The LBP AM group, in line with its commitment to the Finance for Biodiversity Pledge, encourages companies to:

- ▶ **identify impacts and dependencies** related to biodiversity and ecosystem services;
- ▶ **implement an efficient risk management policy** and establish ambitions for the protection-restoration-limitation of the impact of their activities on nature;
- ▶ **follow the Science Based Targets for Nature approach** to contribute to achieving the objectives of the Convention on Biological Diversity;
- ▶ **implement circularity** and single-use plastic reduction plans;
- ▶ **publicly report data** related to the impacts of their activities in line with the TNFD framework.²⁸

28 – <https://tnfd.global/>

On the climate front

The LBP AM group, in line with its oil and gas policy and its commitment to the NZAMI, expects this strategy to be accompanied by short, medium, and long-term greenhouse gas emission reduction targets on scopes 1, 2, and the most significant categories of scope 3. To contribute to the global goal of carbon neutrality by 2050, the LBP AM group encourages companies to adopt trajectories compatible with the 1.5°C scenario of the Paris Agreement, on a significant scope of their activities. The LBP AM group encourages companies to base their strategy on climate or sectoral scenarios as well as third-party methodologies for evaluating strategies such as the Science Based Target Initiative.

The LBP AM group reserves the right to vote against environmental resolutions that do not provide these elements and to support shareholder resolutions that follow the principles mentioned above. Also, the LBP AM group could hold the board of directors accountable in case of a lack of environmental ambition by opposing the re-election of a director. The LBP AM group also recommends that the variable remuneration of executives be composed of environmental criteria.

OUR INTEGRATION POLICY IN INVESTMENT STRATEGIES

1.

Integration of the Biodiversity Theme in the GREaT Rating

LBP AM and LFDE are committed to integrating the biodiversity issue into the analysis, monitoring, and selection of assets¹ through the proprietary extra-financial rating methodology GREaT, and its adaptation to sovereign issuers, “GREtat.”

The GREaT and GREtat ratings are integrated into the decision-making tools of LBP AM and LFDE management and are at the heart of the selection process for SRI funds².

The GREaT analysis grids dedicated to real assets of private debt also incorporate a theme related to biodiversity. These due diligences are carried out on each investment. A minimum GREaT score for the Responsible Resource Management pillar (which includes the biodiversity issue) has been established, conditioning the eligibility of investments.

For real estate assets, the analysis is based on general environmental certifications or specific biodiversity labels (which are not yet frequently used), which thoroughly evaluate the measures in place related to the environment or more specifically biodiversity, or, failing that, on the presence of ecological studies or specific measures in favor of biodiversity.

For infrastructure debt investments, an environmental risk analysis methodology is integrated into the GREaT evaluation to identify the main risk factors related to the project upstream of the financing. It thus allows the assessment of environmental impact risks and physical risks related to climate (e.g., water stress), combining a double materiality approach and the geographical location of the project.

2.

Monitoring the Biodiversity Footprint KPI or “Global Biodiversity Score”

LBP AM and LFDE are committed to monitoring the biodiversity footprint of investments and publishing it.

The biodiversity footprint of portfolios is assessed through the **Global Biodiversity Score** at the portfolio level. It is integrated into management tools to allow managers to take this factor into account during the investment process.

It is reported under Article 29 of the Energy-Climate Law, at the level of the relevant funds and the LBP AM and LFDE entity.

1 – Analysis and monitoring are carried out on at least 75% of the issuers in the portfolio. The consideration of this analysis in asset selection is not systematic and is carried out according to the procedures defined in each fund’s documentation.

2 – SRI funds are UCIs that have a significant extra-financial approach within the meaning of AMF position 2020-03.

3.

Creation of a Proprietary “Biodiversity” Indicator: BIRD

In 2023, the LBP AM group developed a Biodiversity scoring to holistically assess the quality of biodiversity management.

Applicable to companies in all sectors, the indicator allows, among other things, to assess whether the company:

- ▶ **Implements monitoring** at the board level and/or responsibility at the executive management level for biodiversity issues;
- ▶ **Has made public commitments** or joined a biodiversity-related initiative;
- ▶ **Has assessed its impacts** throughout its value chain;
- ▶ **Has implemented actions** to achieve its objectives in the past year;
- ▶ **Uses and discloses performance indicators** to monitor its impacts on biodiversity;
- ▶ **Discloses information** related to its biodiversity management in public documentation;
- ▶ **Manages specific issues** related to the pressures it exerts on biodiversity: water, waste, deforestation, sensitive biodiversity areas, supply chain.

This indicator can be used for the selection of thematic funds and more broadly of in sustainable investment under the SFDR.

The components of the indicator can also contribute to identifying points for improvement that can feed shareholder engagement.

OUR ADVOCACY ACTIONS

The LBP AM group supports regulatory initiatives aimed at strengthening the action of companies, including financial ones, in favor of biodiversity preservation.

LBP AM promotes the strengthening of the global biodiversity management framework. It is notably a signatory of the position proposed by the PRI on the Global Biodiversity Framework and the call to action of financial institutions in the fight against biodiversity collapse.

LBP AM also actively supports the strengthening of regulatory frameworks related to several key themes:

- ▶ **Reporting on biodiversity issues:** LBP AM responds to consultations and reviews of regulatory texts concerning the reporting of companies and financial institutions on biodiversity;
- ▶ **Support for national or international regulations** that can contribute to reducing negative impacts on biodiversity;
- ▶ **Support for local and national regulations** aligned with the Kunming-Montreal Global Biodiversity Framework.

OUR INTERNAL MOBILIZATION

LBP AM and LFDE are committed to deploying an CSR action plan for actions favorable to biodiversity protection in their own operations.

1.

Our sponsorship actions in favor of ecosystem protection and restoration through the contribution to Nature 2050

Some funds in the LBP AM range donate part of their fees to the **Nature 2050¹ sponsorship programme**. Operated by the Caisse des Dépôts (CDC Biodiversité), it funds nature-based projects addressing climate change adaptation challenges in territories: wetland restoration, creation of ecological continuities, transition of forest and agricultural areas, or improvement of urban biodiversity, in metropolitan France or overseas.



In addition, LBP AM will support an applied research project led by the NGO Pure Ocean in 2025 on the theme of biodiversity protection and ecosystem restoration. The funded project is located in Brazil and aims to structure an artisanal seaweed production sector to regenerate socio-economic activity and coastal ecosystems, linking traditional know-how and biotechnological valorizations.

1 - Nature 2050 website: <https://www.nature2050.com/le-programme-nature2050/presentation-du-programme-nature2050/>

2.

Our CSR policy on biodiversity

Biodiversity is integrated into our CSR policy in several ways:

Awareness and training at the heart of our CSR strategy

LBP AM and LFDE deploy skills development actions to strengthen the understanding, adherence, and action of employees in favor of biodiversity. They aim to raise awareness of the interactions between climate and biodiversity, the materiality issues of the theme, and investment strategies and internal tools.

Several types of training are implemented:

- ▶ **the Climate Fresco** offered since 2021 to all employees,
- ▶ **“training” conferences**, organized every 3 months, around the SRI/CSR themes carried by the company, including biodiversity,
- ▶ **a new biodiversity training program** that started in 2023 for some managers and will be deployed to all employees over the years,
- ▶ **the Biodiversity Club** is an initiative launched in 2024 to raise awareness, inform and mobilize LBP AM Group employees around biodiversity issues; today it has more than 60 members.

Sustainable resource management

LBP AM and LFDE moved into new premises in April 2022 in an HQSE building in the heart of Félicité, a multicultural complex in the heart of Paris. With a green roof, energy optimization, and materials from the circular economy, it naturally aligns with the Group's overall vision of reducing its environmental footprint.

Beyond the living environment, LBP AM and LFDE want to promote the development of eco-gestures that help reduce the impact of their direct activities on the environment, through:

- ▶ **zero-waste initiatives** with the provision of cups and water bottles for each employee, the presence of recycling bins, and the elimination of coffee pods;
- ▶ **the promotion of soft mobility**, by providing bicycles for employees' daily commutes or fully reimbursing public transport tickets;
- ▶ **the realization of a participatory carbon footprint** through a partnership with **Greenly** and **Carbo** companies, to better understand its components and develop an improvement plan.

Responsible supply chain

LBP AM and LFDE carefully select their partners, favoring suppliers who offer products and services with the most positive environmental, social, and economic impacts throughout their life cycle.

The responsible purchasing charter of LBP AM and LFDE mentions 3 commitments to the planet:

- ▶ **Reduce** LBP AM's direct environmental footprint.
- ▶ **Manage** the environmental footprint of LBP AM's products and services.
- ▶ **Promote** the emergence of a circular economy.

To do this, LBP AM and LFDE expect their suppliers to respect the principles of the United Nations Global Compact, particularly Principles 7, 8, and 9 concerning the environment and by extension biodiversity:

Principle **7** **Businesses should support a precautionary approach** to environmental challenges.

Principle **8** Undertake initiatives to **promote greater environmental responsibility**

Principle **9** Encourage the **development and diffusion of environmentally friendly technologies**

Mapping our actions in response to the objectives set by the Kunming-Montreal Global Biodiversity Framework established at COP 15 CBD (Global Biodiversity Framework).

The framework defines 23 action targets to be achieved by 2030.

TARGET ACTIONS

N°	TARGET	ASSOCIATED ACTION(S)
Target 1	Ensure that all areas are subject to participatory, integrated and inclusive biodiversity land-use planning and/or effective management processes addressing land and sea use change, to bring the loss of areas of high biodiversity importance, including ecosystems of high ecological integrity, close to zero by 2030 , while respecting the rights of indigenous peoples and local communities.	<ul style="list-style-type: none"> • Shareholder engagement with companies in the agri-food sector: encouraging respect for protected areas; Encouraging alignment with a Zero Net Land Take objective; (V.2.a) • Exclusion of sensitive areas from the geographical scope of investment in real estate or infrastructure assets. (IV.5)
Target 2	Ensure that by 2030 at least 30% of degraded terrestrial, inland water, coastal and marine ecosystems are under effective restoration, to enhance biodiversity and ecosystem functions and services, ecological integrity and connectivity.	<ul style="list-style-type: none"> • Participation in the Nature 2050 program. (VIII.1)
Target 3	Ensure and enable that by 2030 at least 30% of terrestrial, inland water, and coastal and marine areas , especially areas of particular importance for biodiversity and ecosystem functions and services, are effectively conserved and managed through ecologically representative , well-connected and equitably managed systems of protected areas and other effective area-based conservation measures, recognizing indigenous and traditional territories, where applicable, and integrated into wider landscapes, seascapes and oceanic areas, while ensuring that any sustainable use, where appropriate in these areas, is fully compatible with conservation outcomes, recognizing and respecting the rights of indigenous peoples and local communities, including over their traditional territories.	<ul style="list-style-type: none"> • Shareholder engagement: Highlighting IBAT to map activities in protected areas; (V.2.a) • Exclusion of sensitive areas from the geographical scope of investment in real estate or infrastructure assets. (IV.5)

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 4	Take urgent management actions to halt human-induced extinction of known threatened species and to ensure their recovery and conservation, in particular of those species threatened with extinction, to significantly reduce their extinction risk and to safeguard and restore genetic diversity within and between populations of native, wild and domesticated species, in order to maintain their adaptive potential , including through in situ and ex situ conservation measures and through sustainable management methods, and effectively manage human-wildlife interactions to avoid or reduce human-wildlife conflict.	<ul style="list-style-type: none"> • Shareholder engagement with the agri-food sector and the fight against harmful intensive farming practices to preserve genetic diversity; (V.2.a; V.3) • Shareholder engagement on sustainable aquaculture with salmon and shrimp farmers and attention to invasive species; (V.3) • Engagement with agri-food companies concerned with combating overfishing. (V.2.a)
Target 5	Ensure sustainable, safe and legal use, harvesting and trade of wild species, avoiding overexploitation , minimizing impacts on non-target species and ecosystems, and reducing the risk of pathogen spillover , applying the ecosystem approach, while respecting and protecting customary sustainable use by indigenous peoples and local communities.	<ul style="list-style-type: none"> • In conjunction with the LBP AM Group's Human Rights Policy, exclusion list on normative controversies, which may highlight controversies over illegal wildlife trade contrary to CITES principles or environmental harm to indigenous peoples; • Engagement with agri-food companies concerned with combating overfishing. (V.2.a)
Target 6	Avoid, minimize, reduce or mitigate the impacts of invasive alien species on biodiversity and ecosystem services by identifying and managing their pathways of introduction, preventing the introduction and establishment of priority invasive alien species, reducing by at least half the rates of introduction and establishment of other known or potential invasive alien species by 2030, and eradicating or controlling invasive alien species, especially in priority sites, such as islands.	<ul style="list-style-type: none"> • Engagement: raising awareness of potential issues that may arise in the context of freight transport and the proliferation of invasive species, particularly for maritime freight. (V.2.a)
Target 7	Reduce pollution risks and the negative impacts of pollution from all sources by 2030 to levels that are not harmful to biodiversity and ecosystem functions and services, considering cumulative effects, including: <ol style="list-style-type: none"> a) reducing excess nutrients lost to the environment by at least half, including through more efficient nutrient cycling and use; b) reducing the overall risk from pesticides and highly hazardous chemicals by at least half, including through integrated pest management based on science, taking into account food security and livelihoods; c) preventing, reducing and working towards eliminating plastic pollution. 	<ul style="list-style-type: none"> • Pesticide exclusion policy; (IV.4.b) • Engagement with pig farming and fertilizer companies on soil pollution and the use of agricultural chemicals; (V.3) • Shareholder engagement on sustainable aquaculture with salmon and shrimp farmers on sustainable aquaculture practices and nutrient deposition risks related to fish feeding; (V.3) • Engagement with agri-food companies on circularity and plastics; (V.2.e.; V.3) • Climate alignment objectives of Net Zero carbon emissions within the LBP AM Group's Climate Policy.

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 8	Mitigate the effects of climate change and ocean acidification on biodiversity and enhance its resilience through mitigation and adaptation measures as well as disaster risk reduction measures, including nature-based solutions and/or ecosystem-based approaches, minimizing any negative impacts, and promoting positive climate action outcomes for biodiversity.	<ul style="list-style-type: none"> • Climate policy based on emission mitigation trajectories and their validation by the SBTi, including compensation recommendations based on the Gold Standard; • Voting policy encouraging companies to use nature-based solutions to reduce their CO₂ emissions; (V.4) • Working group on the supply of critical materials (nickel) for the energy transition in the automotive sector. (V.3)
Target 9	Ensure sustainable management and use of wild species to provide social, economic, and environmental benefits to populations , particularly vulnerable populations and those most dependent on biodiversity, including through sustainable biodiversity-related activities, products, and services that contribute to its enhancement, and protect and promote traditional sustainable use practices of indigenous peoples and local communities .	<ul style="list-style-type: none"> • Engagement with agri-food sector companies and the automotive sector value chain on combating deforestation; (V.3) • Deforestation exclusion policy; (IV.4.a) • Advocacy for regulations on the import of products resulting from deforestation (EUDR; US Forest Act); (VII.) • Shareholder engagement: Encouraging the systematic inclusion of indigenous peoples' rights in companies' responsible sourcing policies, in conjunction with the LBP AM Group's Human Rights Policy.
Target 10	Ensure sustainable management of agricultural, aquaculture, fisheries, and forestry areas, particularly through the sustainable use of biodiversity, including significantly increasing the use of biodiversity-friendly practices, such as sustainable intensification, agroecology, and other innovative approaches , thereby improving the resilience, efficiency, and long-term productivity of these production systems, as well as enhancing food security, conserving and restoring biodiversity, and preserving nature's contributions to people , including ecosystem functions and services.	<ul style="list-style-type: none"> • Engagements on sustainable proteins with the agri-food sector; (V.3) • Engagement on sustainable aquaculture with salmon and shrimp farmers on sustainable aquaculture practices; (V.3) • Engagement on antibiotic resistance with companies in the animal pharmaceutical sector; (V.3) • Engagement on soil pollution with pig and sheep farmers and fertilizer producers; (V.3) • Engagement on combating deforestation with the agri-food and automotive sectors; (V.3) • Engagements with agri-food sector companies to encourage the implementation of responsible agricultural practices (regenerative agriculture and responsible water use); (V.3) • Engagement on water with companies in the textile, new technologies, luxury, agri-food, and beverage sectors; (V.3) • Deforestation exclusion policies. (IV.4.a)

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 11	Restore, preserve, and enhance nature's contributions to people, including ecosystem functions and services , such as air, water, and climate regulation, soil health, pollination, and disease risk reduction, as well as protection against natural hazards and disasters, through nature-based solutions and/or ecosystem-based approaches for the benefit of all people and nature.	<ul style="list-style-type: none"> • Participation in the Nature 2050 program of CDC Biodiversité; (VIII.1) • Exclusion of sensitive areas from the geographical scope of investment in real estate or infrastructure assets. (IV.5)
Target 12	Significantly increase the area, quality, and connectivity of green and blue spaces in urban and densely populated areas , as well as access to these spaces and the benefits they provide, by mainstreaming biodiversity conservation and sustainable use into urban planning, enhancing biodiversity as well as indigenous ecological connectivity and integrity, improving people's health and well-being and their connection with nature, and promoting sustainable and inclusive urbanization and supporting the provision of ecosystem functions and services.	
Target 13	Take effective legal, policy, administrative, and capacity-building measures at all levels , as appropriate, to ensure the fair and equitable sharing of benefits arising from the use of genetic resources and digital sequence information on genetic resources, as well as traditional knowledge associated with genetic resources, and facilitate appropriate access to genetic resources, and by 2030, significantly increase the benefits shared, in accordance with applicable international access and benefit-sharing instruments.	
Target 14	Ensure that biodiversity and its multiple values are fully taken into account in the development of policies, regulations, planning and development processes, poverty eradication strategies, strategic environmental assessments, environmental impact assessments, and, where appropriate, in national accounting, at all levels of government and in all sectors , particularly those with significant impacts on biodiversity, and progressively align all relevant public and private activities, as well as fiscal and financial flows, with the objectives and targets of this framework.	<ul style="list-style-type: none"> • Advocacy with regulators; (VII.) • Participation in working groups for the development of biodiversity data to integrate the value of nature's services and natural capital into investment decisions; • Shareholder engagement with companies having a significant negative impact on biodiversity to encourage them to integrate the issue into their strategies and take measures to reduce these impacts (Nature Action 100); (V.3) • Implementation and monitoring of a biodiversity indicator to qualify the progress of actors in integrating biodiversity into their strategies, policies and activities. (VI.3)

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 15	<p>Take legal, administrative or policy measures to encourage companies to act and empower them to do so, including ensuring that large companies and transnational corporations, as well as financial institutions:</p> <p>a) Monitor, assess and regularly and transparently report their risks, dependencies and impacts on biodiversity, including provisions applicable to all large companies as well as transnational corporations and financial institutions regarding their operations, supply and value chains, and portfolios;</p> <p>b) Inform consumers to promote sustainable consumption patterns;</p> <p>c) Report on compliance with access and benefit-sharing provisions and measures, as appropriate; to progressively reduce negative impacts on biodiversity, increase positive impacts, reduce biodiversity-related risks for businesses and financial institutions, and promote measures to ensure sustainable production patterns.</p>	<ul style="list-style-type: none"> • Measurement of the biodiversity footprint of LBP AM and LFDE investments and implementation of a Biodiversity policy aimed at reducing this impact; (VI.1–2) • Evaluation of LBP AM / LFDE dependencies and implementation of shareholder engagement to address these specific issues. (V.1)
Target 16	<p>Encourage and empower people to make sustainable consumption choices, including by creating conducive policy, legislative or regulatory frameworks, improving education and access to relevant and accurate information and alternatives, and, by 2030, reduce the global footprint of consumption equitably, including by halving global food waste, significantly limiting overconsumption and substantially reducing waste production, to enable all to live well in harmony with Mother Earth.</p>	<ul style="list-style-type: none"> • Engagement: Encourage the implementation of consumer awareness actions to manage their impacts in the downstream value chain, particularly for companies heavily exposed to retail customers such as supermarkets or textiles and reduce overconsumption by implementing circularity actions. (V.2.a–d–e)
Target 17	<p>Create and strengthen capacities for the implementation in all countries of biosafety measures under Article 8(g) of the Convention on Biological Diversity, as well as measures for the management of biotechnologies and the sharing of their benefits under Article 19 of the Convention.</p>	
Target 18	<p>Identify by 2025 incentives, including subsidies, harmful to biodiversity and eliminate, phase out or reform them proportionately, justly, effectively and equitably, while substantially and progressively reducing them by at least \$500 billion per year by 2030, starting with the most harmful incentives, and strengthen positive incentives for the conservation and sustainable use of biodiversity.</p>	<ul style="list-style-type: none"> • Biodiversity exclusion policy; (IV.1–2–3) • Pesticides exclusion policy; (IV.4.b) • Deforestation exclusion policy; (IV.4.a) • Implementation of various 'Biodiversity' indicators in investment decisions. (VI.1–2–3)

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 19	<p>Significantly and progressively increase financial resources from all sources, effectively, timely and facilitating access, including national, international, public and private resources, in accordance with Article 20 of the Convention, to implement national biodiversity strategies and action plans, mobilizing at least \$200 billion per year by 2030, including by:</p> <p>a) Increasing the total amount of international biodiversity-related financial resources from developed countries, including official development assistance, and from countries voluntarily fulfilling developed country Party commitments, in favor of developing countries, particularly least developed countries and small island developing states, as well as countries with economies in transition, to at least \$20 billion per year by 2025, and at least \$30 billion per year by 2030;</p> <p>b) Significantly increasing the mobilization of national resources, through the development and implementation of national biodiversity finance plans or similar instruments, taking into account the needs, priorities and context of countries;</p> <p>c) Leveraging private finance, promoting blended finance, implementing strategies to mobilize new and additional resources, and encouraging the private sector to invest in biodiversity, including through impact funds and other instruments;</p> <p>d) Promoting innovative systems such as payment for ecosystem services, green bonds, biodiversity credits and offsets, and benefit-sharing mechanisms, through environmental and social protection measures;</p> <p>e) Maximizing the co-benefits and synergies of financing targeting biodiversity and climate crises;</p> <p>f) Strengthening collective actions, including those of indigenous peoples and local communities, actions for Mother Earth and non-commercial approaches, including community-based natural resource management approaches, as well as civil society cooperation and solidarity, to conserve biodiversity;</p> <p>g) Improving the efficiency, effectiveness and transparency of resource provision and use.</p>	<ul style="list-style-type: none"> • Participation in the Nature 2050 program; (VIII.1) • Management of dedicated products (Tocqueville Biodiversity ISR fund); • Advocacy with regulators. (VII)

TARGET ACTIONS (CONTINUED)

N°	TARGET	ASSOCIATED ACTION(S)
Target 20	Increase capacity building and development , access to technologies and their transfer, and promote innovation and technical and scientific cooperation and access to them, including through South-South, North-South and triangular cooperation, to effectively implement, particularly in developing countries, by encouraging collaboration in technology development and scientific research programs for the conservation and sustainable use of biodiversity and strengthening related scientific research and monitoring capacities, and ensure that these actions are commensurate with the ambition of the goals and targets of the global framework.	
Target 21	Ensure that policymakers, practitioners and the public have access to the best available data, information and knowledge to promote effective and equitable governance and integrated and participatory biodiversity management, as well as enhance communication, awareness, education , monitoring, research and knowledge management; in this context, traditional knowledge, innovations, practices and technologies of indigenous peoples and local communities should only be accessible with their prior, free and informed consent, in accordance with national legislation.	<ul style="list-style-type: none"> • Implementation of training; external interventions to present the biodiversity topic to various audiences; (VIII.2) • Participation in working groups (Finance for Biodiversity Foundation) to discuss how to integrate biodiversity into investment processes and raise awareness among all stakeholders involved; • Articulation with LBP AM group's Human Rights Policy for prior free and informed consent.
Target 22	Ensure full, equitable, inclusive, effective and gender-responsive representation and participation of indigenous peoples and local communities in decision-making processes, as well as their access to justice and information on biodiversity, respecting their cultures and rights to their lands, territories, resources and traditional knowledge, while ensuring the inclusion of women and girls, children and youth, and persons with disabilities, and ensuring full protection of human rights defenders in environmental matters.	<ul style="list-style-type: none"> • Articulation with LBP AM group's Human Rights Policy.
Target 23	Ensure gender equality in the implementation of the framework through a gender-responsive approach, enabling all women and girls to benefit from equal opportunities and capacities to contribute to the achievement of the three objectives of the Convention , including recognizing equal rights and access to land and natural resources, as well as promoting their full, equitable, meaningful and informed participation and leadership at all levels of action, participation, policy-making and decision-making on biodiversity.	<ul style="list-style-type: none"> • Articulation with LBP AM group's Human Rights Policy.



<https://www.lbpam.com>

LBP AM

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