

## **6<sup>th</sup> United Nations Forum on Business and Human Rights**

**Geneva 27-29 November 2017**

**Closing plenary 1630-1800: "Closing the dots" and "calls for action"**

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Dear Mr Chairperson of the UN Working Group on Business and Human Rights

Dear Mr. High Commissioner for Business and Human Rights,

Distinguished delegates and co-participants,

I'm pleased to be with you today at this forum devoted to encouraging dialogue and cooperation on issues related to business and human rights. I'm also honoured to be able to speak to you here, at the United Nations in Geneva, as the UN and its agencies are today both reference points and partners for companies such as the one I lead.

Why is this? The inequalities between the richest and the poorest are greater than ever. Around the world we see human and geopolitical trouble. Urban growth and global warming are adding a major ecological risk to this situation.

In this context, the quest for economic growth that is fairer, more ecological, and more respectful of people's health and human rights needs to be a priority, for those active in the economy as much as for those in the political world. The standards laid down by international organisations in these areas form a precious framework for the world's companies.

In 2015 the UN published its 17 Sustainable Development goals in the framework of its 2030 agenda. At the BNP Paribas Group, which has 190,000 employees and operates in 74 countries, they are not just words: we refer to them so as to combine our business activity with our aim of contributing to a better future for society.

If you look at BNP Paribas' financing activity, the amount of lending that contributes to achieving the UN's sustainable development goals was 135 billion euros at the end of 2016.

We're also a partner of the UN locally, in the field: together with the UN environmental-programme teams, and with the Indonesian government, we set up an innovative platform for green lending. It's called the "Tropical Landscape Finance Facility".

It's a world "first" and it has the potential to transform the lives of millions of Indonesians in rural areas most in need of support. We're working with the UN teams to extend this action to other developing countries.

Contributing to a better future means supporting important projects for the future. It also means putting in place strict rules so that we don't finance activity having a negative impact on the environment, public health or human rights.

In 2012 BNP Paribas published its Statement on Human Rights. In it we commit to respect international norms in this domain. These norms include the UN Guiding Principles on business and human rights.

We have put in place procedures that enable us to meet this commitment. We identified 4 areas where we must be particularly vigilant regarding human rights:

- First, workplace relations, with particular attention to gender equality;
- Second, our relationship with suppliers;
- Third, our relationships with clients;
- And lastly, we need to ensure that the companies we finance - or in which we might invest - are not involved in activities violating human rights.

Over time we have put in place a risk-management system that takes into account human-rights criteria. It enables us to assess our clients and evaluate the policies that govern our lending. It also provides us with a framework for policies in sensitive environmental and social sectors. These include agriculture, mining and energy.

To give you an example, we were the first bank to announce, just a few weeks ago, that we were withdrawing from the financing of projects and companies specialised in the extraction - or transportation - of oil and gas from shale and tar sands. We decided to do this because of the risk for the environment and the impact on local populations.

We keep lists of companies that do not meet our demands in terms of responsibility, and notably the respect of human rights. We also have monitoring systems: when we identify a risk with a client, we start a dialogue with that client so as to encourage them to change their practices.

The most efficient method for us, however, is building awareness among our employees. The better they understand the high stakes governing human rights, the better they can react and do their job. For this reason, the training of client-facing employees on promoting respect for human rights is one of the indicators included in our CSR reporting.

Smoking is recognised by the World Health Organization as the leading cause of preventable death. Around 7 million people die each year from smoking. 890,000 die from passive smoking, and one-third of these are children. What is more, and according to the International Labor Organization, 60% of people working on tobacco farms are children.

Given this situation, the World Health Organization's Framework Convention on Tobacco Control, which is the first legally-binding public-health treaty, underlines the importance of strategies that reduce the supply and demand of tobacco products. Our home country, France, is one of the 180 countries that have signed this treaty.

It was logical for us to pay special attention to this subject. And we are far from alone. An increasing number of financial institutions, such as pension funds, banks, and institutional investors, have imposed strict limits on financing tobacco. Or they simply refuse to work with tobacco producers.

In December 2016 we decided to cease financing this activity in developing countries, but we became convinced that the specific nature of tobacco required a stronger measure on our part, and we also wanted to reflect the decisions taken in September by the UN Global Compact.

From May of this year, BNP Paribas Cardif, our insurance company, announced that its general insurance fund would adopt an investment policy that excludes tobacco. Similarly, we announced last Friday that BNP Paribas was ceasing its financing and investment activities related to manufacturers of tobacco products. This also concerns producers, wholesalers and traders whose revenue is derived mainly from tobacco.

I would like to thank the UN for helping companies to set a course that promotes development and which protects the environment, human rights and public health. It is by working together, as individual citizens, governments, international organisations and companies, that we'll be able to create the conditions for a better future.

Thank you for your attention.

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