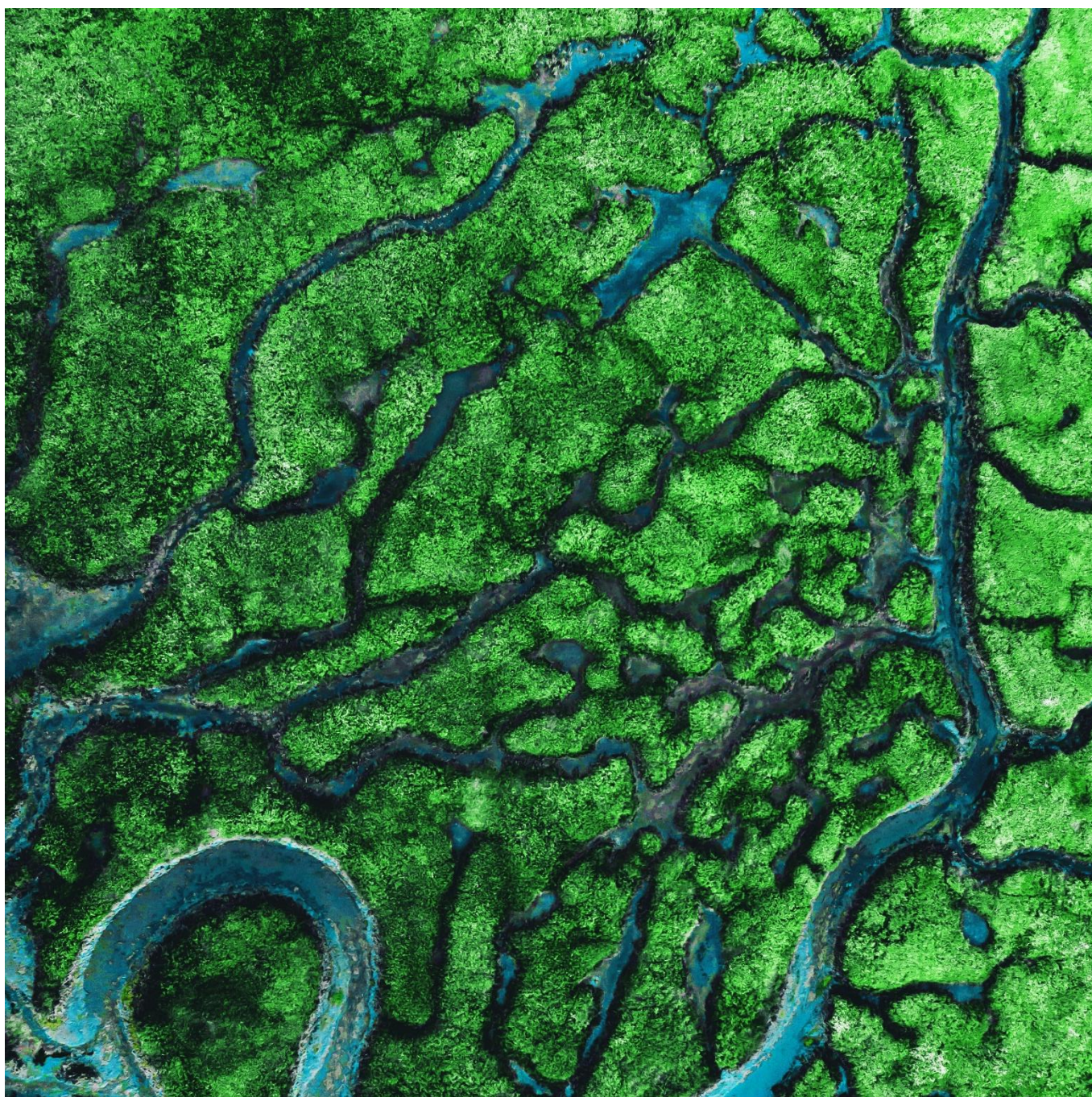


Methodology for analysing the contribution of investment funds to the UN's Sustainable Development Goals (SGDs)



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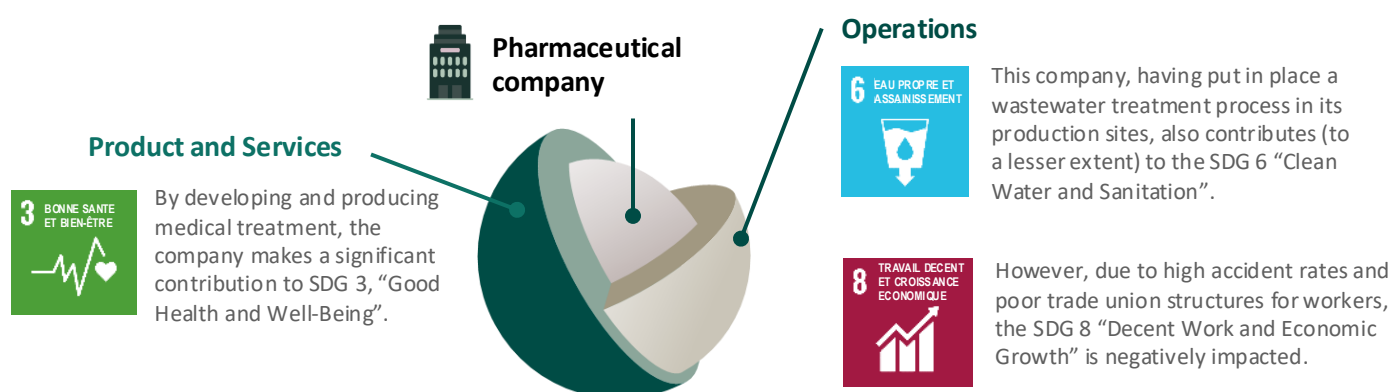
What are the SDGs?

The Sustainable Development Goals (SDGs) are a set of 17 interconnected objectives, broken down into 169 targets, which UN Member States have committed to achieving by 2030. They address global challenges, such as poverty, global warming, prosperity and justice. As they are on most national and international decision-makers' agendas, the SDGs have become a common framework to measure companies' extra-financial performance.



How can an investment fund contribute to the SDGs?

Companies can contribute to one or more SDGs through their range of **products and services**, and/or their internal **operations**. These contributions are measured and aggregated at the portfolio level. Companies can also impact negatively an SDG. Example of a company's contribution to the SDGs:



An investor can contribute to the SDGs by choosing funds invested in companies which lead projects with a positive impact on the SDGs.

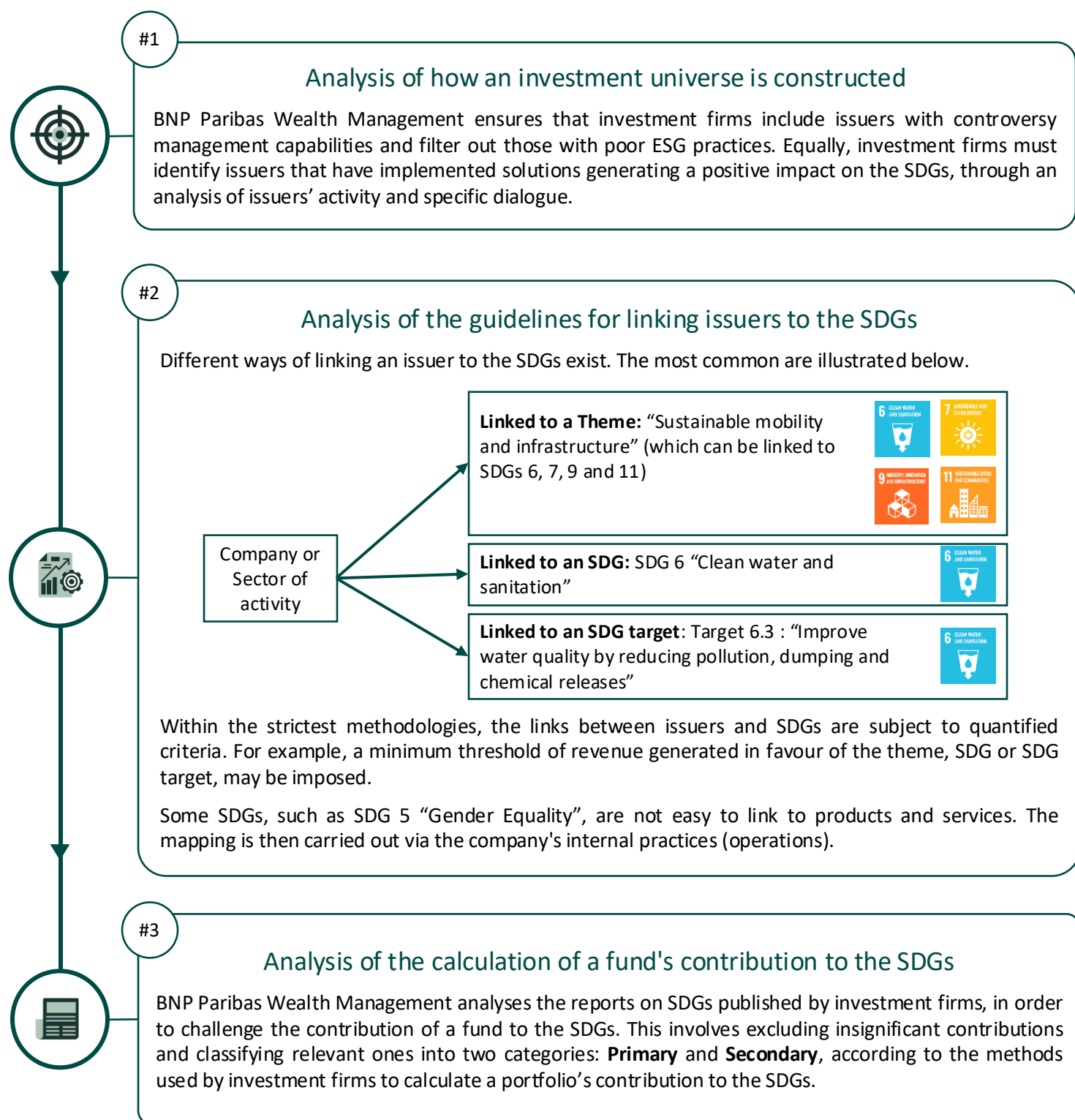
Why does BNP Paribas Wealth Management analyse the SDG mapping methodologies of investment firms?

There is no standard way of assessing a company's contribution to the SDGs. That said, some investment firms have developed their own methodology, often based on impact data from specialised providers. These methodologies are emerging and differ from one investment firm to another.

BNP Paribas Wealth Management systematically analyses the methodologies implemented by investment firms. This step aims to verify that the reported contribution to the SDGs is tangible and permits to provide a better understanding of the impact reports.



The 3 steps of the mapping process



Key points

- This methodology validates the reliability of investment firms' approaches to mapping their funds to the SDGs and report on the SDGs.
- It takes into account the specificities of the methodologies of each investment firm.
- It captures specifically the SDGs to which the fund makes a significant contribution.

DEFINITION

SDGs

The Sustainable Development Goals (SDGs) are 17 objectives, broken down into 169 targets, which UN Member States have committed to achieving as part of the Agenda 2030. They address every aspect of sustainable development (climate, biodiversity, energy, water) as well as other themes including poverty, gender equality, economic growth, peace, agriculture and education.

More information here: <https://sdgs.un.org/fr/goals>

DISCLAIMER

The funds' contribution to SDGs is measured based on portfolio holdings at a given moment. The composition of the portfolio is subject to change, which may affect the SDG mapping. The information provided by the Wealth Management business line of BNP Paribas, namely 'Primary SDGs' and 'Secondary SDGs', is updated on an annual basis. This information may therefore ignore recent movements in portfolio holdings.

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