

Groupe BPCE's response re allegation that by providing financing for companies that manufacture cluster munitions, it may be contributing to the negative human rights impacts

15 January 2018

Business & Human Rights Resource Centre invited Groupe BPCE to respond to the following paper, which alleges that by providing financing for companies that manufacture cluster munitions, Groupe BPCE may be contributing to the negative human rights impacts, unless the bank takes significant action to require, encourage or support its clients to cease manufacturing cluster munitions.

- "BankTrack: How Banks Contribute to Human Rights Violations", BankTrack, 8 Dec 2017, https://www.banktrack.org/news/new_briefing_paper_how_banks_contribute_to_human_rights_abuses

Groupe BPCE sent the following response:

"We acknowledge the information you share in your report on our affiliates holding in Textron but note however that this company announced in August 2016 that it was discontinuing its Sensor-Fuzed-Weapon production which came to an end in Q1 2017.

We also confirm that BPCE and Natixis strictly apply the policy that was published in 2009, committing to not finance or invest in businesses involved in manufacturing, selling or storing anti-personnel mines or cluster munitions.

The policy applies to commercial banking and investments made on our own account, and the third-party investments made by French asset manager Natixis Asset Management. The exclusion policy applies to all advisory services, all discretionary mandates, all actively managed funds and all passively managed funds.

However, the policy does not apply to all investments managed by its United States-based asset managers, where BPCE and Natixis cannot unilaterally enforce their policy, since the United States have still not signed the Oslo Convention on Cluster Munitions.

Considering the ethical problem caused by such investments, we however continue our dialogue with the American affiliates to raise awareness on this subject, with the objective to enforce BPCE/Natixis arms sector policy in all our activities."