



BNP PARIBAS

**La banque
d'un monde
qui change**

Laurence Pessez

Global Head of Corporate and Social Responsibility
BNP Paribas

Julia Hovenier
Bank & Steel Campagner
Banktrack

Paris, January 9, 2024

Dear Ms Hovenier,

Thank you for your letter dated November 29, 2023, regarding POSCO Holdings and for sharing your concerns about this company's strategy. BNP Paribas is committed to maintaining a high-quality dialogue with civil society and the information you provided to us will feed the dialogue we have with clients as well as inform our internal decision-making.

As you may know, for reasons of confidentiality, BNP Paribas cannot comment on its relations with its clients beyond what is already public. Yet, BNP Paribas is fully committed to fighting climate change and to supporting the transition to a low carbon economy. Our aim is to promote the transition towards Net-Zero economy by 2050 by accompanying and encouraging our clients in their decarbonation strategies. To that end, BNP Paribas maintains a strengthened dialogue with all its corporate clients, and we pay close attention to how they are implementing their commitments and how their trajectories are aligning with the IEA NZE 2050 scenario, in particular by 2030, thus keeping with the Group's own commitment to align our credit portfolios with global carbon neutrality by 2050.

For the hard-to-abate steel sector specifically, the Group announced a portfolio alignment target in May 2023 and committed to a 25% emission intensity reduction by 2030 (versus. 2p022) in order to reach 1.2 tCO₂/t crude steel. This target is informed by the International Energy's Net Zero Emissions by 2050 Scenario and is set for 2030, which is considered as the appropriate time horizon given the particular challenges of the decarbonization inflexion points of this sector.

As for all portfolio alignment targets, our teams are mobilized to work with all our clients to review how their own commitments and their implementation will allow BNP Paribas to stay on track with decarbonation trajectories set by the Group.

I remain at your disposal should you need any additional information.

Yours sincerely,

Laurence Pessez
Global Head of CSR