

Mr Johan Frijns  
Director  
BankTrack  
By email to [johan@banktrack.org](mailto:johan@banktrack.org)

20th August, 2019

Dear Mr Frijns,

Thank for your letter dated 29 July 2019 and your continued interest in the Principles for Responsible Banking.

As you are aware, the Principles are ambitious and aspirational, and they contain a strong underlying commitment to transparency, accountability and impact. Their purpose is to provide signatory banks with guidance and one comprehensive framework to support each bank's approach to addressing sustainable development across its entire business.

Banks that sign up to the Principles are taking a leading step forward towards aligning their operations with society's goals and supporting their customers, clients, employees and investors in adopting sustainable practices that create measurable, significant and positive impacts to realize the UN Sustainable Development Goals and the Paris Agreement on climate change. This includes strong underlying requirements and mechanisms around transparency and accountability which require banks to manage what matters most by setting targets and publicly reporting back to stakeholders on progress made.

Given the urgency of the recognized need to transform the business world, signatory banks are expected to start implementing the Principles immediately after signing up. However, given the diversity of the banks around the world that have and are expected to adopt the Principles, flexibility is needed to allow progress at the appropriate pace for the markets in which each bank operates and based on their respective prior experience in the area of sustainable development. This approach allows for future signatory banks to benefit from the practical experiences of the Founding Signatory banks as well as from other stakeholders such as research centers and experts, through the network community created through the UNEP Finance Initiative.

Development of the Principles included a six-month consultative process, in which more than 500 stakeholders provided valuable feedback, including BankTrack. As a result, more than 100 banks are now poised to become signatories at the formal launch of the Principles in September 2019. With this high number of initial banks committed to supporting the achievement of the Sustainable Development Goals and the Paris Agreement on climate change, through the Principles for Responsible Banking, significant impacts will be realized around the globe.

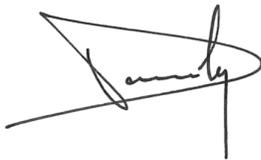
Signing the Principles for Responsible Banking is a natural new step for Natixis as we have been reshaping our business for several years to make a positive and meaningful contribution to the environment and society

at large. We have been reporting on these contributions in our Extra Financial Performance Report on a yearly basis. It includes several tangible actions to support our clients' sustainable transition, such as the pioneer Green Weighting Factor initiative. This in-house capital allocation mechanism aims to promote financings with a positive impact on climate and the environment and penalize transactions that may have an adverse impact.

After the launch of the Principles in September 2019, we look forward to sharing with you and our other stakeholders, in our public reporting as per the timeline and requirements of the Principles and their implementation Framework, the targets we will set and the subsequent progress we will achieve towards these, in particular through implementing the Green Weighting Factor initiative. We encourage you and our other stakeholders to review this public reporting, so that you are aware of the impacts we will be working to realize.

Thank you again for your interest in this important initiative, the Principles for Responsible Banking, and your positive contribution to the public consultation process that contributed to its development.

Your sincerely,



Louis Douady  
Global Head of Environmental & Social Responsibility  
Natixis