



PRESS RELEASE

Banco BPM set intermediate decarbonisation targets for 2030 as part of the Net Zero Banking Alliance (NZBA) initiative

The targets prove Banco BPM's contribution in supporting the transition to a carbon-neutral economy

Milan, 9 August 2024 - The recognition of the importance of the banking sector's contribution to contrast climate change and to face environmental challenges has had a significant impact on Banco BPM's corporate strategy in the area of climate sustainability.

After having joined the Net-Zero Banking Alliance (NZBA) in March 2023, the Bank commitment to achieving net-zero carbon dioxide financed emissions by 2050, in line with the targets set by the Paris Climate Agreement, continues.

Banco BPM has, therefore, set decarbonisation targets for 2030 for each of the five priority-sectors communicated to the NZBA when joined. To this end, the "net-zero" 2050 scenarios proposed by the best market standards (International Energy Agency) were applied to the Bank loans and banking book investments, based on the situation as at 31 December 2022 (the starting point).

Such targets, expressed as a percentage reduction from the starting point in terms of Weighted Average Carbon Intensity (WACI) metric, based on exposure to corporate counterparties¹, are reported below:

- **Automotive:** -48% vs end-2022 WACI (0.45 million tons of CO₂e per billion passenger-kilometres travelled by vehicles sold). Such a target, which include heavy-duty vehicle manufacturers, considers Scope 1, 2 and 3 emissions of the counterparties in the banking book portfolio.
- **Cement:** -23% vs end-2022 WACI (0.50 tons CO₂e per ton of cement product). This target considers Scope 1 and 2 emissions of the counterparties in the banking book portfolio.
- **Coal:** run-off of exposures by 2026.
- **Oil & Gas:** -14% vs end-2022 WACI (60.7 grams of CO₂e per megajoule of oil product/natural gas produced or distributed). This target considers Scope 1, 2 and 3 emissions of the counterparties in the banking book portfolio.

¹ Counterparties with turnover greater than € 75 million.

- **Power Generation:** -56% vs end-2022 WACI (0.17 tons of CO₂e per megawatt-hour of energy produced). This target considers Scope 1 and 2 emissions of the counterparties in the banking book portfolio.

The table below summarises the targets for 2030:

Sector	Emission Intensity		% change by 2030
	Metric	Starting point 31/12/2022	
AUTOMOTIVE (Scope 1, 2 & 3)	Million tons of CO ₂ e per billion passenger-kilometres travelled by vehicles sold	0.45	-48%
CEMENT (Scope 1 & 2)	Tons of CO ₂ e per ton of cement products	0.50	-23%
COAL	Run off of the exposure by 2026		-100%
OIL & GAS (Scope 1, 2 & 3)	Grams of CO ₂ e per megajoule of oil product/natural gas produced or distributed	60.7	-14%
POWER GENERATION (Scope 1 & 2)	Tons of CO ₂ e per megawatt-hour of energy produced	0.17	-56%

Banco BPM will therefore continue its path of alignment to the Net Zero goals by defining the actions to support companies in their transition paths.

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