



ARVAL
BNP PARIBAS GROUP

SUSTAINABILITY AT ARVAL

1. PREAMBLE ON ARVAL ACCOMPANYING ITS CUSTOMERS TO SUSTAINABLE MOBILITY

2. SUSTAINABILITY STATEMENTS (certified information)

31 December 2024

PREAMBLE ON ARVAL ACCOMPANYING ITS CUSTOMERS TO SUSTAINABLE MOBILITY

The Arval Beyond strategic plan was launched in 2020 and aims to evolve Arval's business model from a long-term leasing company with services to an **expert in sustainable mobility**, including cars. This strategic plan aims to position the company as a key player in the **energy transition**.

Arval places its social and environmental responsibility at the heart of its strategy to contribute to a more sustainable society. Seizing the **opportunities offered by the transition to a more sustainable economy**, Arval supports its customers on a daily basis with products and services adapted to their needs, for safer, responsible and low-carbon mobility.

To meet these needs, Arval has been transitioning its business since 2020 in order to **reduce the emissions of its leased fleet**, promote the emergence of electric mobility and new mobility solutions, and **contribute to better road safety**.

In line with market expectations and environmental and societal challenges, Arval has established clear and measurable objectives, in consultation with its stakeholders. These objectives cover in particular **the reduction of theoretical CO₂ emissions from the tailpipe of its fleet by 30%¹ and a reduction in the average annual rate of liable road accidents by 25%² in 2026 compared to January 2020**.

In 2024, Arval published **very solid results, both financially and extra-financially**. Its business model continues to demonstrate its ability to deliver fleet growth and control risks, while accelerating the adoption of new mobility practices.

SUPPORTING THE TRANSITION TO LOW-CARBON MOBILITY

In terms of decarbonising the tailpipe emissions of its fleet of nearly 1.8 million leased vehicles, Arval recorded a reduction of 22.4% in 2024 compared to January 2020, reaching an average intensity of 111 gCO₂/km per vehicle³. Regarding new passenger car registrations in Europe, with an intensity of 92 gCO₂/km of its 2024 production in its main European markets⁴, Arval has already achieved average emissions well below that of the European market at 108 gCO₂/km over the same period⁵.

To achieve its objectives, Arval activates various levers:

Consulting for its corporate customers: since 2020, **Arval Consulting**'s experts have supported companies with 7,800 days of advice in order to optimize their fleet management and accelerate their transition to sustainable mobility solutions⁶. Arval's consulting approach includes a **TCO** (Total Cost of Ownership) approach corresponding to the total cost of use over the leasing period, which puts into

¹ Average CO₂ emissions are calculated as a weighted average of the fleet of Arval entities (passenger cars and commercial vehicles). In a context of regulatory change (NEDC, WLTP), CO₂ emissions are adjusted in WLTP, based on the results of an internal NEDC-WLTP correlation study, to ensure comparable stringency.

² Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval.

³ All of its leased fleet, including passenger cars and commercial vehicles, worldwide.

⁴ Belgium, Germany, Spain, France, Italy, The Netherlands, Poland.

⁵ Source ICCT : <https://theicct.org/publication/european-market-monitor-cars-vans-2024-feb25/>

⁶ Any mission that contributes to decarbonising corporate customers' mobility.

perspective the costs related to the adoption of less emissive vehicles, by valuing the savings on maintenance, fuel and taxation.

A wide range of new and used electric and plug-in hybrid vehicles. The composition of its fleet is a major lever of Arval's decarbonisation strategy, it is mainly focused on the gradual electrification of its corporate and individual customers' vehicles. Arval counts 253,373 electric vehicles (BEVs) in its fleet in 2024 (+52% compared to 2023) and is targeting 400,000 BEVs in 2026⁷. Their share has increased from less than 1% in 2019 to 14% in 2024, in line with the target of 20% for 2026, and driven by the momentum of orders, of which they already represent more than 22.6% in 2024.

A charging offer including electricity charging cards, automatic reimbursements for home charging and mobile applications to locate charging points, making the electric transition more accessible.

Flexible leasing options, such as 3–6-month electric vehicle trials or temporary access to a combustion vehicle for long journeys, promote a gradual and sustainable adoption of electric vehicles within companies.

The sustainable use of vehicles to optimize their energy consumption. The **Arval Connect** telematics solution supports the identification of opportunities for companies of all sizes to transition to electric vehicles and encourages safer and more responsible driving, thanks to real-time monitoring of driving data (consumption, braking, acceleration and personalised recommendations to reduce fuel consumption and CO₂ emissions). At the end of 2024, Arval recorded nearly 180,000 vehicles with the subscription to Arval Connect and aims to have 600,000 vehicles in 2026.

The development of new forms of sustainable mobility for the business market. **Car-sharing** promotes optimised use of vehicles between several users, which reduces the number of vehicles in the fleet and the associated costs by up to 20%. Alternative mobility to the vehicle for short distances or urban journeys, such as **bike leasing**, reduces dependence on motor vehicles and makes it possible to convert journeys made with emissive vehicles into low-carbon journeys. Arval counts 9,000 leased bike users in 2024. The diversification of mobility means is also offered with the **Arval Mobility Pass**, a payment card that allows employees to use the mobility budget allocated by their employer for their daily journeys.

Finally, in order to integrate environmental considerations into its operations and to participate in the rational use of resources, Arval has implemented **SMART Repair** (*Small to Medium Area Repair Technology*), which limits the impact of vehicle repairs. This approach is based on the use of modern tools and techniques that allow damage to be repaired locally without replacing entire parts, helping to reduce waste production and the consumption of polluting materials, **reduce energy consumption, as well as intervention times** through optimized processes. Out of approximately 6,000 partner garages that carry out bodywork repairs on vehicles leased by Arval, the SMART Repair rate has increased from 13% in 2020 to 19% in 2024, and Arval aims to reach 22% in 2026.

HELPING TO IMPROVE DRIVER SAFETY

When it comes to road safety, Arval takes a systemic and preventive approach. Driving behaviour remains the main cause of road accidents. In 2024, Arval recorded a 21.4% decrease in the average annual rate of liable road accidents on its leased fleet compared to January 2020; and aims to reach -25%⁸ in 2026. To achieve this objective, Arval activates various levers:

Technological levers: thanks to **Arval Connect**, corporate customers can strengthen driver safety and improve their operational performance by relying on vehicle usage data and data related to their employees' driving behaviour. Drivers have access to features that provide tips for safer and more

⁷ The 2026 ambition assumes similar or greater support measures from governments on electric vehicles, as well as on upgrading charging infrastructure and services enabling their adoption.

⁸ Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval.

responsible driving. Technological features, including **driver assistance systems**, are also increasingly being integrated by car manufacturers into new vehicle models (advanced driver assistance systems such as automatic emergency braking and lane change assist). With the average age of Arval's fleet being around 2 years⁹ at the end of 2024, vehicles were able to benefit from this aid faster than the average on-road fleet in most of the countries where Arval operates.

Driver training and awareness: in addition to local training programmes offered by its entities in certain countries, Arval has been offering **online road safety training** to all its customers in all the countries where it operates since the end of 2024. Through various channels, Arval also carries out prevention and awareness initiatives on good driving habits.

CSR ACHIEVEMENTS 2024

The section below aims to illustrate, through some of the 2024 achievements, how Arval implements its sustainability strategy every day to support the transition of all its customers, individual and corporate, to more sustainable mobility.

Expertise of Arval employees and advice to customers

In 2024, **Arval Consulting** launched **the STAR methodology** (Strategic Transformation through Actionable Recommendations), which sets a framework structured in five steps (Ambition, Exploration, Design, Deployment and Measurement) to deliver advice on the main challenges of the sector, including the electrification of fleets, the diversification of mobility solutions as well as the optimization of costs and the improvement of internal policies and processes.

To implement its CSR strategy and support its customers' transition, Arval is strengthening the **training of its teams** in terms of knowledge and skills necessary to achieve its objectives, and more generally to cope with the challenges of sustainable mobility. Thus, 99% of its employees have benefited from training, including sustainability issues, with an average of 22 hours per employee in 2024.

In order to **set an example with the mobility of its own employees** eligible for a company car, Arval has also implemented a proactive car policy, resulting in 96%¹⁰ of new orders and renewals being electric vehicles (BEVs) in 2024.

Collaborations and partnerships with innovative players in the mobility and renewable energy sector

Arval's charging offer for electrified vehicle aims to facilitate access to vehicle charging at home and at work. This all-in-one offer includes the installation, maintenance, as well as the uninstallation and recycling of the charging station. This offer is complemented by a partnership with Fastned, facilitating access to its fast-charging solutions powered exclusively by renewable energies for Arval customers.

To enable the development of electric vehicle rental, Arval is also supporting the **development of the second-hand market** by reassuring buyers about the performance of the batteries after several years of use. Arval is the first rental company to systematically offer a **certificate of battery health when reselling electric vehicles**, thanks to partnerships with companies specialising in battery diagnosis and certification.

In addition to its commercial activity, Arval supported innovative initiatives in 2024, such as its participation in the **Shift4Good fund**¹¹, dedicated to the decarbonisation of transport, and its

⁹ All countries except Russia, and excluding the Arval France Flex fleet.

¹⁰ Arval fleet leased for the benefit of its employees and at Arval's expense, worldwide excluding Latin America, Morocco and Turkey.

¹¹ Investment fund focused on the sustainability of the Transportation sector.

membership of **SmartEN**¹² to promote synergies between mobility and clean energy. The **Arval Energy** initiative illustrates this ambition by exploring solutions for smart charging for electric vehicles, using their energy storage potential, and harnessing renewable energy, thus reducing the carbon footprint of mobility and energy consumption.

In conclusion, Arval demonstrates its **commitment to a sustainable and low-carbon economy** over time by integrating sustainable development at the heart of its strategy. The achievements of 2024 illustrate the company's ability to support its customers in their transition by offering them innovative mobility solutions adapted to their needs. By promoting sustainable mobility and supporting its individual and corporate customers in their efforts to decarbonise and ensure driver safety, Arval is positioning itself as a key player in the transition to sustainable mobility.

¹² Smart Energy Europe (SmartEN) is a European association of companies committed to promoting sustainable energy solutions.



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31 December 2024

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INTRODUCTION

The following sustainability statements present Arval's sustainability reporting in accordance with the publication requirements of the European Directive 2022/2464 of 14 December 2022 amending Regulation (EU) No 537/2014 and Directives 2004/109/EC, 2006/43/EC and 2013/34/EU as regards corporate sustainability reporting (also known as the Corporate Sustainability Reporting Directive – CSRD), as transposed into French law. This directive aims to strengthen corporate transparency on sustainability by imposing stricter environmental, social and governance (ESG) reporting requirements.

In particular, the CSRD requires a description of all material impacts, risks and opportunities for Arval relating to sustainability issues. The double materiality assessment identified the following material topics detailed in this report: climate change, pollution, the company's own workforce, consumers and end-users, and business conduct.

WARNING AND EXPLANATORY NOTE

These sustainability statements have been prepared in accordance with the CSRD (and its transposition into French law) and the European Sustainability Reporting Standards (ESRS) as applicable on the date of publication of these sustainability statements. In this respect, it is specified that only transversal and thematic standards have been adopted as of the date hereof. Despite the absence of sector-specific standards, Arval has endeavoured to take into account the specificities of its sector of activity in order to provide the most relevant and accurate information possible.

Relative importance

The present sustainability statements only include information that, according to Arval, is of relative importance both on the impacts of Arval's activities on people and the environment and/or on how sustainability issues affect Arval. The methodological choices that guided the double materiality analysis of Arval's environmental, social and governance issues are explained in this document. Some information collected by Arval has not been included in these sustainability statements due to its lesser materiality, although it may still be relevant.

Use of assumptions and estimates

In a context where certain information, mainly related to Arval's value chain, is still not widely available or sufficiently reliable, the preparation of these sustainability statements is partly based on reasonable assumptions and estimates as required by the CSRD. Some of these assumptions or estimates may present a high level of measurement uncertainty. These assumptions and estimates are presented as long as they provide useful and quality information. In this case, the associated narrative sets out the methods and definitions used, as well as any limitations and uncertainties surrounding them. In a constant effort to ensure the quality of the published information, Arval has referred, whenever possible, to European regulatory definitions and recognised standards to prepare and present the relevant information. Where this was not possible, the information was developed in good faith based on internal definitions and estimates.

Prospective information

In accordance with the provisions of the CSRD, these sustainability statements contain forward-looking information that includes projections and estimates based on current opinions and assumptions about future events. No assurance can be given as to these projections and estimates, which are subject to inherent risks and uncertainties, some of which are beyond Arval's control, relating in particular to Arval, its subsidiaries and its investments, the development of Arval's and its subsidiaries' activities, industry trends, future investments and acquisitions, the evolution of the economic, social, ecological and environmental situation, and the applicable regulations. In particular, due to these risks and uncertainties, forward-looking information should not be considered as a statement or guarantee by Arval or any other person that Arval will achieve its objectives, plans, targets, indicators within a given timeframe or that it will achieve them at all. Any forward-looking statements contained in these sustainability statements speak as of the date of these sustainability

statements. Arval undertakes no obligation to publish changes or updates to this forward-looking information, except as required by applicable law.

Inherent uncertainty in climate information

The information, data, indicators and methodologies used in relation to climate change are constantly evolving. Climate indicators are complex and are based on many opinions and assumptions about climate policies, technologies and other uncertain or unknown factors. Any significant change in these variables could render the assumptions, and therefore the resulting climate indicators and data, incorrect. As a result, the climate information contained in these sustainability statements, whether historical or forward-looking, has an inherent uncertainty, which may render it less relevant to decision-making than historical financial data. With regard to greenhouse gas (GHG) emissions, there is a lack of standardisation and comparability of estimation and calculation methods due to the diversity of available frameworks and methodologies. The methodological choices that led to the preparation of these sustainability statements are explained in this document. However, due to this lack of harmonisation, there is still a risk of over- or under-estimation of the indicators.

Information from third parties

Some statistical information and other data contained in this document are obtained from third-party sources. Arval is not responsible for this information and makes no representation or warranty as to its accuracy, precision or completeness.

The requirement for *Disclosure of information relating to special circumstances* is set out in section 8 *Appendices* of this report.

In the report, the term "Group", used alone, refers to the BNP Paribas Group. The term "Arval" refers to the Arval Group, including the legal entity Arval Service Lease and all of its subsidiaries present in the various countries. Information on the administrative, management and governance bodies relates to Arval Service Lease.

Unless otherwise noted, the terms "Carbon" and "CO₂" are used interchangeably in the report to refer to carbon equivalent. Carbon equivalent is a standardized measure that compares emissions of different greenhouse gases ("GHGs") by converting them into an equivalent amount of carbon dioxide with the same global warming potential ("CO₂-eq").

In the report, the term "electric vehicles" refers exclusively to 100% electric vehicles (BEVs – *Battery Electric Vehicles*).

1 General disclosures

Scope of the sustainability statements

Arval's sustainability statements are prepared on a consolidated basis within the same scope as that used for the Arval Service Lease's IFRS financial statements presented in note 7.c of the financial statements as of 31 December 2024. In addition, these statements include information on Arval's upstream and downstream value chain, as defined below.

In this context, Arval has carried out a materiality assessment covering both its own operations and its upstream and downstream value chain. Own operations include all equipment, buildings and services operated by Arval to carry out its commercial activities. Commercial activities integrate all the services that create a value proposition of the company to its customers. Through this exercise, Arval has identified the impacts, risks and opportunities that it considers significant in view of its activity and the expectations of its stakeholders, and which are detailed later in this document. To meet these challenges, Arval develops and implements policies and action plans that cover its value chain. To monitor the effectiveness of the latter, Arval has set a series of objectives, some of which relate to its upstream/downstream value chain as well as its own operations.

In accordance with the general approach, most of the policies applicable at BNP Paribas level are implemented as they are within Arval, where relevant. Exceptionally, some policies may require local adaptation. The cases of local policy adaptation are explicitly mentioned in this report.

To prepare its report, Arval relied on the analyses and methodology developed by BNP Paribas, capitalised on BNP Paribas' internal management processes and systems where possible (in particular for the "Own workforce" and "Business conduct" sections), and ensured the consistency with BNP Paribas on the quantitative and qualitative data published.

1.1 Governance

1.1.1 The role of the administrative, management and supervisory bodies

The sustainability strategy is integrated at the highest level within the governance bodies. These bodies address the impacts, risks and opportunities ("IRO") related to the environmental, social and governance topics of all Arval's activities according to their mandates as described in the following paragraphs.

The Board of Directors

Centrally, the Board of Directors is Arval's governing body. It leads the strategy with a long-term perspective, aiming for sustainable growth, and acting in the interest of Arval and its stakeholders. It determines the orientations of Arval's business and supervises their implementation by the General Management, while respecting Arval's social interest to ensure sustainability and taking into account the social and environmental challenges relevant to its activities.

Composition and diversity of the administrative, management and supervisory bodies

The Board of Directors is chaired by Alain Van Groenendael and is composed of 11 members as of 31 December 2024. There is no independent director. The percentage of women on the Board of Directors is 55%.

In addition, 4 employee representatives are present on this Board.

Roles and responsibilities of the administrative, management and supervisory bodies

Arval's Board of Directors is informed of the impacts, risks and opportunities related to sustainability through the Executive Committee ("ExCo"). The Executive Committee, chaired by Chairman and Chief Executive Officer ("CEO") Alain van Groenendael, a member of the Board of Directors, acts as a liaison between Arval's strategic decisions and BNP Paribas' governance. The CEO ensures that sustainability issues are integrated into discussions at the level of the Board of Directors and the Executive Committee.

The functions assigned to the Audit Committee are integrated into the Board of Directors.

Within Arval's organisation, several committees monitor and manage sustainability-related impacts:

1. **The Executive Committee:** the Executive Committee is Arval's supreme steering body. It meets to share relevant information for the management of Arval's activities and to decide the directions to be taken. It validates and monitors the progress of the indicators, based on dashboards correlated to the company's impacts (dashboard is presented in section 1.2.1 *Strategy, business model and value chain*) and opportunities (dashboards of products and services, as well as Human Resources). Risks, on the other hand, are subject to specific monitoring and validation by the Chairman and Chief Executive Officer and the Chief Risk Officer.
2. **The Sustainability Steering Committee:** this committee, coordinated by the Chief Sustainability Officer, is responsible for monitoring the sustainability performance, the activity indicators, and coordinating cross-functional projects on sustainability issues, such as the decarbonisation of the vehicle leasing business. This Sustainability Steering Committee meets every two months and has been active since 2021. Its members include executive directors, including representatives from functions such as finance, strategy, marketing, or operations. Decisions and recommendations are submitted to the Executive Committee, and then to the Board of Directors if necessary.
3. **The Internal Control Committee:** this committee is one of the fundamental pillars of the operational risk management and permanent control system. It is held every six months at the level of the Arval group and consolidates the local committees. Its purpose is to:
 - provide to the management a consolidated, clear and comprehensive view of the entities' operational risk situation;
 - escalate alerts and, if necessary, escalate weaknesses within the system;
 - enable the sharing of analysis and decision-making on operational risk.

This committee brings together the key players from the three lines of defence, described in section 1.1.4 *Risk management and internal controls over sustainability reporting*, in which the Chief Sustainability Officer participates.

4. **The Risk Committee:** this committee is coordinated by Arval's RISK function at the central level. It is responsible for monitoring the credit risk, the used vehicles residual value and market risk through indicators and for the roadmap of projects related to the credit activities and assets (such as IT projects, projects relevant to the assessment of residual values on electric vehicles or the assessment of the ESG profile of customers). It is held quarterly and includes the General Management and the executive members concerned.
5. **The Arval Credit Committee (ACC):** this committee at Arval group level, which is also deployed in the countries where Arval operates, deals with credit and counterparty risk as per Arval's credit policy framework in which the ESG dimension is integrated, in particular through the sectoral policies or the enhanced ESG assessment procedures. It meets regularly, notably with the RISK, Finance and Sales departments. It mainly decides on leasing requests from Arval's customers (credit requests that fall under its delegation), based on the financial and sectoral analysis of the customers as well as on elements that could have a positive or negative

impact on their financial performance, solvency or reputation (such as resilience to climate change, governance of social rights).

The corporate governance integrates sustainability responsibilities through these bodies, which allow the Board of Directors, via the Executive Committee and the CEO, to effectively monitor impacts, risks and opportunities (IRO) related to environmental, social and governance issues.

Expertise and skills of the directors

All the directors have a diversity of skills and experiences that they have acquired throughout their professional careers. These combined skills allow Arval to cover all the impacts, risks and opportunities related to Arval's economic activity.

Table 1: Composition of the Board of Directors

Name	Skills/Expertise
Alain VAN GROENENDAEL <i>Chairman and Chief Executive Officer (CEO)</i>	<ul style="list-style-type: none"> • Financial Services • Consumer Credit • Retail Banking • Automotive
Thierry LABORDE <i>Director – Chief Operating Officer – BNP Paribas</i>	<ul style="list-style-type: none"> • Banking • Retail Banking
Paul MILCENT <i>Director – Global Head of Mobility business of BNP Paribas Personal Finance</i>	<ul style="list-style-type: none"> • Management • Finance • Sales & Marketing
Sébastien DESSILLONS <i>Director – Global Head of Sectors – BNP Paribas CIB</i>	<ul style="list-style-type: none"> • Industrial Affairs • Banking
Franciane RAYS <i>Director – Chief Financial Officer – BNP Paribas Fortis</i>	<ul style="list-style-type: none"> • Accounting • Finance • Management
Piet VAN AKEN <i>Director – Head of Risk – BNP Paribas Fortis</i>	<ul style="list-style-type: none"> • Credit Risk • Risk Information, Modelling and Reporting • Risk Anticipation and Capital
Charlotte DENNERY <i>Director – Chief Executive Officer – Personal Finance</i>	<ul style="list-style-type: none"> • Economics • Finance • Asset Management • Public Service
Guylaine DYEVRE <i>Director – Secretary of BNP Paribas Board</i>	<ul style="list-style-type: none"> • General Services • Compliance • International Compensation, Benefits & Mobility • Development of International Business Partnerships • International Corporate Coverage • Global International Markets Sales • Retail Banking
Sophie HELLER <i>Director – Head of Partners in Action for Customer Experience (PACE), CPBS</i>	<ul style="list-style-type: none"> • P&L Management • Digital Transformation & Digital Business • BtoC Marketing & Sales • Customer Experience • Retail Banking/Consumer Credit
Frédérique RABIER-ALIOME <i>Director – Chief Sustainability Officer CPBS</i>	<ul style="list-style-type: none"> • Banking: customer relations, marketing, transformation, digital, sales management, financial management • Cross-functional: social and environmental responsibility (CSR)
Emmanuelle BURY <i>Director – UK Country Head – BNP Paribas</i>	<ul style="list-style-type: none"> • Banking • Operational risks and ongoing control • Compliance risks • General management • Mergers & acquisitions • Strategic thinking • Relations with regulatory authorities and boards of directors • Liquidity risks

Subject to ratification at the Shareholders' Meeting, the roles of the Chairman of the Board of Directors and the Chief Executive Officer will be separated as of March 2025, and allocated to Franciane Rays and Alain Van Groenendael respectively.

Arval's CEO was trained in BNP Paribas' Shape the Future certification programme, dedicated to sustainable finance, and more specifically to the objective of integrating ESG (Environmental, Social,

Governance) impact into his entity's revenue strategies. Implemented in the form of workshops to reflect on and define an action plan, and carried out with the entire Arval Executive Committee, this programme was led by INSEAD in 2023. It was followed by the formulation of Arval's sustainability ambition and acceleration levers which were communicated through a video to Arval employees using various managerial and digital channels.

The identification of the risks of ESG topics is carried out by the directors of Arval's various Business Lines and Functions, with the support and validation of the RISK team. As set out below in 1.3.1 *Description of the procedures for identifying and assessing material impacts, risks and opportunities*, for the financial materiality, the risk assessment is carried out on the basis of the gross risks before any mitigation plan is put in place, employing thresholds established to quantify the magnitude of the financial effect and its probability of occurrence.

In terms of governance, Arval's General Management, in order to control, manage and monitor impacts, risks and opportunities, relies upon several committees which were presented at the beginning of this section, including the Executive Committee and the Sustainability Steering Committee. The latter, led by the Sustainability Office, monitors the social and environmental responsibility (CSR) dashboard presented in section 1.2.1. *Strategy, business model and value chain*, consolidates the undertaken or envisaged actions, and ensures the monitoring of the objectives set by Arval, as well as the company's results over time.

The Sustainability Office conducts an annual review of these topics to inform the Board of Directors of any changes made to the materiality assessment, in particular.

The specific controls and procedures are covered in section 1.1.4. *Risk management and internal controls over sustainability reporting* in the internal control procedures.

1.1.2 Information provided to the administrative, management and supervisory bodies

Board of Directors

Arval's Board of Directors meets a minimum of 4 times a year and as many times as the circumstances or the interest of Arval require.

In 2024, at one of these meetings, the Board of Directors addressed the ESG topic for the review of the double materiality matrix, including the list of ESG issues and the list of IRO as well as the decarbonisation objectives, the decarbonisation plan and the sustainability audit plan. The latter is presented to the directors by the Statutory Auditors.

Executive Committee

Chaired by the Chairman and Chief Executive Officer and composed of the business directors, Arval's Executive Committee also monitors the Sustainability policy, in line with the strategy and policies of the company and the Group.

In 2024, Arval's Executive Committee addressed ESG topics six times, relating to the following topics: diversity and inclusion, regulation, double materiality assessment, risks, decarbonisation and employee satisfaction.

Sustainability Steering Committee

In 2024, Arval's Sustainability Steering Committee, which brings together several members of the Executive Committee and ESG representatives from the countries where Arval operates, addressed various topics such as the review of sustainability performance, ESG governance, decarbonisation, the double materiality assessment, the implementation of ESG standards defined by BNP Paribas, etc. For

more information on Arval's Sustainability Steering Committee, see section 1.1.1. *The role of the administrative, management and supervisory bodies.*

1.1.3 Integration of sustainability-related performance into the incentive schemes

Remuneration policies related to the CSR performance of BNP Paribas and Arval

Arval's Chairman and Chief Executive Officer receives a variable remuneration that incorporates CSR criteria. The latter includes the annual variable remuneration with an objective relevant to the CSR challenges of the Arval Beyond strategic plan and the Group's loyalty plan. The payment of the loyalty plan is conditional on the achievement of the objectives based on the BNP Paribas' four CSR pillars addressing the economic, social, civic and environmental responsibility to which Arval contributes. In particular, it includes quantified climate objectives in accompanying the Group's customers towards a low-carbon economy and the reduction of the Group's environmental footprint.

In 2024, Arval's Chairman and Chief Executive Officer received an amount of variable remuneration, 20% of which was conditional on the achievement of these CSR criteria.

1.1.4 Risk management and internal controls over sustainability reporting

Arval's General Management has implemented BNP Paribas' internal control system, the main purpose of which is to ensure overall risk control and to provide reasonable assurance that the objectives set in this respect are being achieved. The internal control system covers all types of risks to which Arval may be exposed. Environmental and social risk factors are gradually integrated into standard reporting processes, taking into account the progress of internal analyses relating to ESG issues as well as regulatory developments, where applicable.

This internal control system is organized around two lines of defence:

- As a first line of defence, risk management is the responsibility of each employee, and the operational activity managers are responsible for setting up and operating a risk identification, assessment and management system in accordance with Arval's internal policies or BNP Paribas' policies implemented within Arval and consequently exercising an independent control from the second line of defence.
- The second line of defence is managed by the RISK, LEGAL and Compliance departments.

These Departments report functionally to Arval's General Management and hierarchically to their respective BNP Paribas Divisions. In addition, the General Inspection is an independent and hierarchically integrated control function within the Group, which reports directly to the Chief Executive Officer of BNP Paribas SA. It carries out a third-level control. It is responsible for assessing processes relevant to the risk management, the control and the governance as well as their compliance with laws and regulations. It also proposes ways to strengthen their effectiveness.

The internal control framework for the sustainability information is based on a risk management system and internal control procedures similar to those applied for other BNP Paribas risks. Arval is committed to ensuring the completeness and integrity of the information by using estimates where necessary. Arval has also taken steps to strengthen its ability to collect data on the upstream and downstream of its value chain in a more granular way.

Reliability of estimations

- **Estimation methodologies:** adoption and documentation of methodologies to assess environmental and social impacts.
- **Verification of estimates:** use of internal or external experts to validate the estimates and the results obtained.

Availability of value chain data

- **Collaboration with suppliers:** exchanges with suppliers and partners to access data on products and services provided.
- **Data on vehicle use:** use of primary data for the use of vehicles by lessees in all countries where Arval operates, during the leasing period, when available and usable (fuel consumption, carbon intensity per kilometre, real or contractual distances travelled over the period). Assumptions of lifespan and average mileage after the sale of the vehicles are applied, as well as recycling assumptions associated with their end of life.

The Board of Directors was informed about the data preparation exercise for the sustainability reporting. In addition, in 2024, a control and verification process specific to the CSRD was put in place, based on the following elements:

- a mapping of existing data production processes and a data collection flowchart;
- a Roles and Responsibilities Matrix ("RACI"), which in particular defines a clear allocation of publishable quantitative and qualitative data to Arval departments and functions;
- a completeness and reliability control of the collected data sources via the company's internal management systems at the level of each contributor and a consistency review of the consolidated report;
- a consistency review with BNP Paribas on the results of the materiality assessment and on the quantitative and qualitative data published.

In 2025, the internal control process for sustainability information will be formalised in accordance with BNP Paribas standards.

1.1.5 Statement on due diligence

Arval implements, through its vigilance plan, measures to identify and prevent serious risks and negative impacts on human rights, fundamental freedoms, health, safety of people and the environment. These measures concern its activities, its upstream/downstream value chain and its business relationships. The system is based on the implementation of ESG risk management policies, objectives and frameworks in the day-to-day operations, in conjunction with Arval's stakeholders.

Table 2: Essential elements of due diligence

Core elements of due diligence	Paragraphs in the sustainability statements
a) Embedding due diligence in governance, strategy and business model	Chapter 1 General disclosures <ul style="list-style-type: none"> • 1.1.1 <i>The role of the administrative, management and supervisory bodies</i> • 1.2.1 <i>Strategy, business model and value chain</i>
b) Engaging with affected stakeholders in all key steps of the due diligence	Chapter 1 General disclosures <ul style="list-style-type: none"> • 1.2.2 <i>Interests and views of stakeholders</i>
c) Identifying and assessing adverse impacts	Chapter 1 General disclosures <ul style="list-style-type: none"> • 1.3.1 <i>Description of the processes to identify and assess material impacts, risks and opportunities</i>
d) Taking actions to address those adverse impacts	All Actions or IRO management sections in the following chapters <ul style="list-style-type: none"> • 2. <i>Climate change</i> • 3. <i>Pollution</i> • 5. <i>Own workforce</i> • 6. <i>Consumers and end-users</i> • 7. <i>Business conduct</i>
e) Tracking the effectiveness of these efforts and communicating	Chapter 1 General disclosures <ul style="list-style-type: none"> • 1.1.1 <i>The role of the administrative, management and supervisory bodies</i> • 1.2.1 <i>Strategy, business model and value chain</i>

1.2 Strategy

1.2.1 Strategy, business model and value chain

Presentation of Arval

Arval has a diversified revenue and profit base, composed of three main elements: the margin on vehicle leases, the margin on their associated services and the result from used vehicles sales.

As part of its core leasing offering, Arval purchases new vehicles with a view to leasing them to customers for a period typically between 36 and 48 months. Arval realizes a margin on lease contracts, equal to the difference between the rentals received from customers and the costs of the lease contract, which include the depreciation of the leased vehicles and the financial costs related to the financing necessary for the purchase of the corresponding vehicles.

Arval also generates a margin for service, thanks to the wide range of services it offers as part of its long-term leasing and fleet management products, such as maintenance and repairs, tyres, fuel management, replacement vehicles and insurance offered by its subsidiary Greenval Insurance DAC (Greenval), which operates predominantly under the freedom to provide services ("FPS") regime, and is regulated by the Central Bank of Ireland.

At the end of the lease contracts, Arval generates profits or losses by selling the vehicles on the second-hand market via several distribution channels, in particular by reselling them directly to users, to used vehicles dealers or via its own online vehicle sales platform dedicated to professionals. This activity is an integral part of Arval's business model, with sales results depending in particular on the logistic conditions and the valuation of vehicles at the end of the contract. Arval also ensures that the necessary terms and conditions are adjusted at the end of the contract to take into account any needs related to repairs or mileage overruns before the vehicles are put back on the road.

Finally, Arval has developed a telematics solution, Arval Connect, which enables its customers to optimise the costs of their vehicle fleet, improve driver safety, accelerate the energy transition and make the management of mobile teams more efficient.

As of 31 December 2024, Arval leased nearly 1.8 million vehicles to more than 400,000 customers. More than 90% of these vehicles are leased in European countries.

Arval is present in 29 countries and has more than 8,700 employees. Section 5 of this report, relating to own workforce, presents the number of employees by geographical area.

Table 3: Distribution of employees by geographic areas

Years	Total number of employees	EMEA*	Asia Pacific	Americas
2024	8,725	95.8%	0%	4.2%
2023	8,564	95.9%	0%	4.1%
2022	8,102	98.1%	0%	1.9%

*Europe, Middle East, Africa

Presentation of products and services by stakeholder

As part of its offers and services, Arval accounts for several customer groups. The table below describes the types of offers and services by customer type:

Table 4: Presentation of products and services

Customer Groups	Customer Groups Definitions	Products and services
<p>«BtoB» customers</p>	<p>These are organisations of all sizes to which Arval offers the leasing of serviced vehicles or the sale of used vehicles. These organisations include large international groups, large national companies, small and medium-sized companies, professionals, public institutions (ministries, town halls, hospitals, etc.), social and solidarity economy organisations as well as used vehicle professionals.</p>	<p>Arval provides its BtoB customers with fleets of short, medium and long-term rental, for all types of engines (electric, hybrid, combustion) and all types of brands. The leasing of reconditioned vehicles is also offered in the vehicle catalogue.</p> <p>The offer includes the services necessary for the management of vehicle fleets, including insurance, vehicle maintenance, driver assistance, tyre replacement, rental of charging stations for electrified vehicles, payment cards for energy (fuel, electricity). Arval offers various decision-making support services (dashboards based on connected vehicle data, consulting missions, etc.), operational management (management of fines, vehicle transport, etc.) and training in eco-driving or prevention of road risk.</p> <p>Arval also offers sustainable mobility offers, such as bike leasing and a shared vehicle solution, all services included, as a mobility solution for employees or as a solution for last-mile delivery players, as well as mobility cards allowing employees, without a company vehicle, to pay their home-work travel expenses. At the end of the lease contracts, Arval sells the vehicles on the used vehicle market via several distribution channels.</p>
<p>End-users of mobility solutions or beneficiaries</p>	<p>All users benefiting, via their company, from the mobility offers and services offered by Arval.</p>	<p>Arval offers its end-users a wide range of vehicles and sustainable mobility offers, often chosen by their company as part of a pre-established automotive and mobility policy, and supports them throughout their leasing contract, in particular in choosing the solutions best suited to their needs, in the proper use of services and the management of events during their journeys (breakdown, accident, etc.).</p> <p>Users can benefit from training and access a mobile application allowing them to find the services for which they are eligible, important documents for their contract, the answers to the most frequently asked questions, a space to declare a claim or make a claim, etc. When their company has subscribed to this service, users can also view their eco-driving score on the application.</p>
<p>Private lease customers</p>	<p>These are individuals who take the step of purchasing offers and services proposed by Arval on a personal basis.</p>	<p>Arval offers its long-term rental (LTR) offer to its private customers for all types of vehicles (electric, hybrid, combustion) and all types of brands, new or reconditioned. The company provides several services during the contract, including in particular insurance related to the vehicle, maintenance or the provision of fuel cards, electronic toll collection or charging stations.</p> <p>Individuals can also access an online customer application allowing them to find all the services for which they are eligible.</p>
<p>Private buyers of used vehicles</p>	<p>These are individuals or professional users who wish to purchase their vehicle at the end of their lease or who wish to buy another used vehicle offered by Arval.</p>	<p>Arval offers its customers and end-users the possibility of buying back vehicles that have reached the end of their lease contract or buying a used vehicle from an online catalogue.</p>

As of 31 December 2024, 89% of Arval's fleet was made up of vehicles intended for BtoB customers¹ (beneficiaries) and 11% for BtoC customers (private lease).

¹ Including the Flex fleet (rental from 1 to 24 months).

Sustainability strategy overview

The Arval Beyond strategic plan was launched in 2020 and aims to evolve the company's business model from a long-term rental company with services to an expert in sustainable mobility, including cars.

This strategic plan guides its development and commitment to a more sustainable mobility and aims to position the company as a key player in the energy transition.

Arval is convinced that low-carbon, safe, and responsible mobility overall is key for human well-being. It believes in changing the way to approach its business, by collaborating with its suppliers, partners, customers and teams to transform its sector facing environmental and societal issues.

Its ambition is to drive the change to sustainable mobility, for all the markets where Arval operates, by acting as a catalyst to connect these stakeholders and accelerate their contributions.

Arval is committed to addressing these issues by adopting an integrated approach, based on 3 objectives:

1. Reduce greenhouse gas emissions and resource waste throughout the lifecycle of its fleet and in all its operations.
2. Encourage user adoption of low-carbon mobility solutions and safe mobility behaviours.
3. Develop a culture that inspires and supports its teams to achieve this ambition.

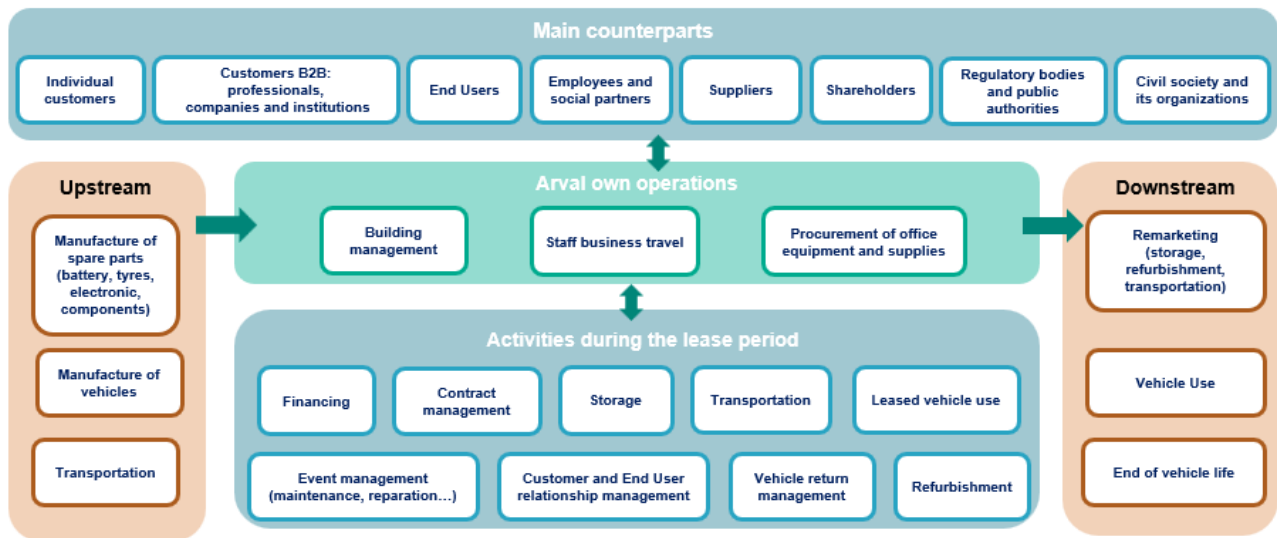
Aware of the environmental and societal impacts generated by road transport to which its activity contributes, Arval strives to reduce its impacts while helping to advance the mobility habits of its users towards more sustainable practices. As outlined in section 1.2.1 *Strategy, business model and value chain* of this report, Arval has established clear and measurable objectives to guide this transformation. Defined in consultation with its stakeholders, these objectives are part of a strategic approach in line with market expectations and environmental and societal issues. They cover in particular the reduction of CO₂ emissions, the evolution of mobility habits, the ethics of business relations and the well-being of employees. For more information, see the CSR dashboard presented below in this section.

These objectives reflect a structuring commitment, guiding the evolution of its business in the short term while remaining open to longer-term challenges and opportunities. In particular, Arval has already begun to reflect on responsible energy consumption and initiatives in favour of renewable energies. Opening up to new opportunities is part of a strategic approach integrated into the Arval Beyond plan, which has made this possible and will continue to do so until 2026, to integrate in an agile manner the changes in market needs and societal expectations.

Arval's sustainability strategy is aligned with that of the Group of which it is a part. In particular, Arval applies the sectoral policies developed by the Group during its credit analysis, in the context of their applicability to the company's specific activities.

Value chain overview

Arval has identified the ESG issues in its upstream and downstream value chain. In particular, Arval has determined the expectations of its customers (individuals, professionals, companies and institutions, end-users), employees and social partners, shareholders (individual and institutional investors), suppliers, regulatory bodies and public authorities, civil society and non-governmental organisations among its main stakeholders. Since 2020, the Arval Beyond strategic plan has included various means to respond to this. The graphic representation below illustrates the activities and key players identified by the company across its entire value chain:



Upstream value chain

Arval has identified several environmental issues in its upstream value chain, mainly related to the supply of vehicles and other goods.

- **Vehicle manufacturing** is based on complex and energy-consuming industrial process. The production of steel, aluminium and plastics used in vehicles, as well as the production and assembly of batteries, or moreover the manufacture of spare parts and tyres, make significant contributions to CO₂ emissions. In addition, the production of batteries requires intensive mining operations that can lead to soil and water pollution. These elements, although indirect in Arval's activity, contribute to the environmental impacts of the upstream value chain. In addition, the weight of vehicles plays a key role in the decarbonisation of the automotive sector, in particular due to the weight of electric batteries, which represents a significant part of the total weight of a vehicle. The market's appetite for SUV car models, regardless of the engine, accentuates this trend, increasing the average weight of vehicles, the greenhouse gas emissions and air pollution. In addition, the increasing integration of electronic components, such as sensors or navigation devices, can make models heavier. These industrial processes require appropriate management to limit their environmental impacts, particularly in the design and manufacturing phases.
- **The transport of spare parts and finished vehicles** to Arval's distribution centres and customers is another source of greenhouse gas emissions in the Arval's upstream value chain. International supply chains often rely on sea, air and road transport, each with its own environmental impact. Road transport is a direct contributor to CO₂ emissions and other air pollutants.

In addition, the supply chain may be exposed to the risk of raw material shortages, due to extreme weather events linked to climate change.

These issues reinforce the importance of **working with suppliers** to encourage responsible practices in the supply chain. Arval offers a very wide range of products, agnostic to brands and models, and although it does not have automated access to detailed information on the impact of the manufacturing of the thousands of vehicle models available on the market, it strives to advise its customers on the basis of the information to which it has access.

Downstream value chain

The company also works with downstream suppliers and customers:

- **Customers' use of vehicles:** leased vehicles generate environmental impacts, mainly related to greenhouse gas emissions and air pollution, the extent of which depends on the type of engine, the driving habits, the type of road used and the maintenance practices. In addition, the use of vehicles involves health and safety risks, particularly due to road accidents. At the same time, the change in mobility habits creates an opportunity to offer new mobility services (car-sharing, connected vehicle services).
- **Vehicle maintenance during the leasing period:** garages and service providers responsible for maintaining vehicles during their use phase, play an important role in the maintenance and repair of vehicles, thus helping to extend the life of the vehicles and optimise their environmental performance, as well as their proper functioning and therefore the safety of users.
- **Storage:** Vehicles returned by customers are typically stored in large parking lots prior to inspection, reconditioning, resale, or relocation. These storage spaces can have environmental impacts (lighting, vehicle and facility maintenance operations, etc.). Stored vehicles are also exposed to physical climatic risks (hail or flooding).
- **Reconditioning:** Reconditioning vehicles involves repairing, cleaning, and refurbishing them to make them safe and attractive to future users or buyers. The management of spare parts and used materials, such as batteries, tyres and electronic components, must be carried out responsibly to avoid releases to the environment.
- **Transport:** once reconditioned, the vehicles must be transported to the sales sites or to the next users, by road, train or ship. Vehicle transportation contributes to greenhouse gas emissions and fossil fuel consumption. Transport logistics requires planning to minimise empty runs and optimise routes, reducing the associated carbon footprint.
- **End-of-life of vehicles:** The end-of-life of vehicles, including tyres, can lead to significant environmental impacts, such as waste generation and emissions from dismantling operations. In order to limit these effects, responsible management of materials, especially complex or potentially polluting components, is essential. However, Arval intervenes only marginally at this stage. Wreck management accounts for a very small proportion of the events in its fleet during the leasing period. As for second-hand vehicles, in the absence of a regulatory framework allowing the traceability of vehicles throughout their life cycle, Arval is not in a position to implement a control of the effective conditions for the reuse and recycling of the critical materials at the end of their life.

Arval's social and environmental responsibility ("CSR") strategy consists of supporting all customers (individuals, companies) and end-users in their transition to a low-carbon economy that makes reasonable use of the planet's resources while conducting business responsibly. To achieve this, Arval relies on all its employees.

The strategy is structured around four pillars described below, which reflect its CSR challenges. It is part of a process of continuous improvement, and aims to participate in the construction of a more sustainable world, while ensuring the stability and performance of the company. This ambition is reflected in the Arval Beyond strategic plan, of which sustainability is one of the major axes. Its deployment involves all of Arval's businesses, functions, subsidiaries and geographies, within the framework of governance organized at the highest level of the company and described above.

With this in mind, Arval, a signatory of the Global Compact France² since 2004, reaffirms its commitment to respect universal principles in terms of human rights, labor, the environment and

² The Global Compact France, or France Network Global Compact, refers to the official local network of the United Nations Global Compact in France, launched in 2003, whose mission is to support the implementation of the 2030 Agenda and the appropriation of the Sustainable Development Goals by the French economic world.

business ethics. These commitments are reflected in the objectives of the Arval Beyond strategic plan, described below.

Performance indicators

The Arval Beyond 2026 strategic plan defines quantified indicators in terms of CSR. These indicators cover environmental, societal and governance aspects. In line with the UN's Sustainable Development Goals ("SDGs") and BNP Paribas' sustainability pillars, they compose the CSR dashboard (see below), and allow Arval to monitor and evaluate the effectiveness of its strategy relating to Arval Beyond sustainability goals. These indicators are divided into the same four sustainability pillars from BNP Paribas' GTS (Growth, Technology, Sustainability) strategic plan:

- **Economic – developing our business in an ethical and sustainable way:** Arval is committed to operating in an ethical and sustainable manner. Its responsibility translates into an approach focused on the needs of its customers to drive change in practices. Its approach includes optimising the size of fleets, low-carbon mobility solutions, and supporting drivers towards new mobility habits.
- **Social – developing and engaging our people responsibility:** Arval has a responsibility towards its employees. For this reason, the company promotes diversity of profiles, in an inclusive work environment where everyone is treated with fairness and respect. Faced with today's major societal, environmental and technological challenges, Arval employees have more than ever a responsibility to support the customers in finding solutions that are both sustainable and practical. To meet these challenges, Arval relies on diversity, training and the commitment of all employees in all business lines.
- **Civic – being a positive agent for change:** this pillar translates into a commitment to society. Arval places road risk, one of the leading causes of death in the context of a professional activity, at the heart of its challenges. This priority includes a prevention approach and the promotion of road safety. In terms of solidarity actions, Arval also promotes the contribution of its employees to societal and environmental causes through the #1MillionHours2Help programme.
- **Environmental – combating climate change:** Arval's main lever of action is to support the ecological transition of its customers. To this end, Arval supports them at every stage, whether it is to demonstrate the benefits and the need for the energy transition, to engage their organisation in a low-carbon mobility approach, or to offer services aimed at facilitating this change and diversifying mobility practices. Arval is also taking action to reduce its direct environmental impacts (sites locations, employee travel, etc.).

Table 5: CSR dashboard

For more information on the impacts, risks and opportunities (IRO) associated with each objective, see section 1.3.2 *Material impacts, risks and opportunities and their interaction with strategy and business model*.

Pillar	Indicator	2024 Result	2026 Target	Corresponding IRO
Economic	Number of Consulting days provided by Arval to its customers on sustainable mobility, cumulated since 2020 ³	7,800	12,000	Climate Change – Opportunity Customers: by focusing on new vehicle use practices, such as car-sharing, which contributes to reducing emissions from manufacturing upstream in the value chain, Arval can attract new customers.
	Number of vehicles with customer subscription to the Arval Connect connected service	179,077	600,000	Consumers and End-Users – Opportunity Driver Safety: Arval can strengthen its competitive position and revenue by offering vehicles with advanced safety features and connected services, and by implementing road safety initiatives for leased vehicle drivers. This approach is aimed at customers who are concerned about the environment and safety, improves satisfaction, reduces accidents and lowers repair and insurance costs
Social	% of women in Arval's Senior Management Position ⁴ (SMP) population worldwide	32%	35%	Company workforce - Negative impact Discrimination, inequality and exclusion: benefiting from fair and equitable work is considered a major issue by stakeholders. However, in some cases, Arval employees may occasionally face situations of discrimination at certain points in their professional career, such as during recruitment, performance evaluations, promotions and compensation reviews.
	% of country General Managers having sustainability objectives linked with their remuneration	Not measured until 2025	100%	General information
	Average yearly hours of training per employee	17	17	Company Workforce – Opportunity Skills Development: training and development programmes, and skills acquisition to promote employee satisfaction and retention.
Civic	% decrease of liable accidents rate of the fleet compared to January 2020 ⁵	-21.4%	-25%	Consumers and end-users - Negative impact Health and safety: pollution generated by vehicles, road accidents and other driver safety hazards caused by physical risks due to climate change (flooding, etc.) have negative impacts on consumer health and safety.
Environmental	% decrease of average WLTP theoretical tailpipe CO ₂ emissions per vehicle of Arval fleet and per km compared to January 2020 ⁶	-22.4%	-30%	Climate change - Negative impact Vehicle use: the vehicle fleet has a negative impact on the environment and contributes to global warming as the internal combustion vehicles, which still account for a significant proportion of vehicles on the road, consume non-renewable resources and emit greenhouse gases.

³ Any mission that contributes to decarbonising corporate customers' mobility

⁴ SMP are positions identified and validated by governing bodies of Core businesses / Métiers / Transversal and integrated Functions as having an important impact at Group level.

⁵ Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval.

⁶ Average of CO₂ emissions are calculated as a weighted average of the Arval entities' fleet (Passenger cars and light commercial vehicles). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.

Pillar	Indicator	2024 Result	2026 Target	Corresponding IRO
Environmental	Number of electric vehicles in the leased fleet ⁷	253,373	400,000	<p>Climate change - Negative impact Vehicle use: the vehicle fleet has a negative impact on the environment and contributes to global warming as internal combustion vehicles, which still account for a significant proportion of vehicles on the road, consume non-renewable resources and emit greenhouse gases.</p> <p>Climate Change - Opportunity Regulation: new regulations limiting the use of older or high-greenhouse gas emitting vehicles can attract consumers to electric mobility solutions.</p> <p>Pollution - Negative Impact Air pollution from the use of the vehicle fleet.</p>
	% of electric vehicles at order in Arval's internal fleet ⁸	96%	100%	<p>Climate change - Negative impact Vehicle use: the vehicle fleet has a negative impact on the environment and contributes to global warming as the internal combustion vehicles, which still account for a significant proportion of vehicles on the road, consume non-renewable resources and emit greenhouse gases.</p>
	Yearly tonnes of CO ₂ equivalent emissions from Arval's own operations (buildings and business travels) per employee	1.46	<1.85 ⁹ (target at the end of 2025)	<p>Climate Change – Opportunity Cost savings: in the long term, reducing greenhouse gas emissions from scopes 1 and 2 could lead to cost savings.</p>
	% of yearly SMART Repair ¹⁰ out of total body repair events worldwide	19%	22%	<p>Climate change - Negative impact Vehicle use: the vehicle fleet has a negative impact on the environment and contributes to global warming as the internal combustion vehicles, which still account for a significant proportion of vehicles on the road, consume non-renewable resources and emit greenhouse gases.</p>

⁷ The 2026 ambition assumes similar or better supporting measures from the relevant governments on electric vehicles, as well as charging infrastructures and supporting services being further upgraded.

⁸ Arval fleet leased for the benefit of its employees and at the expense of Arval, worldwide excluding Latin America, Morocco & Turkey.

⁹ The time horizon for this target is 2025, aligned with BNP Paribas' overall objective. In 2024, the Group simplified the methodology for allocating energy consumption between its entities. Following this methodological change, Arval has aligned its target with that of the Group.

¹⁰ Small to Medium Area Repair Technology ("SMART"): the use of specialist tools and products to repair damages such as dents and cracks. Avoids the need to replace or repaint an entire panel or component.

1.2.2 Interests and views of stakeholders

Purposes of engagement with stakeholders

Dialogue with its stakeholders is an integral part of Arval's social and environmental responsibility.

Arval's commitment to maintain an open and constructive dialogue with its stakeholders aims primarily at better identifying and understanding the interests, points of view and expectations of its stakeholders, as well as the impacts of its activities.

Arval can thus take them into consideration in the development of its products and services' offering, in line with the real needs of customers, the evolution of its activities and the definition of its strategy.

This interaction is also essential to inform and explain to stakeholders Arval's decisions and actions, with the aim of ensuring transparency and clarity.

Key stakeholders

Arval's key stakeholders are presented in section 1.2.1 *Strategy, business model and value chain*. Arval's relationships with its stakeholders play a role in the reflections and the decisions related to ESG topics.

Organisation of engagement with stakeholders

Arval implements a structured approach to interact with its stakeholders and relies on several internal policies governing relations with them to guide its approach. For example:

- with regard to customers, the policy for the protection of customers' interests ("PIC") defines the rules of organisation and conduct that must be applied by Arval throughout the relationship with the customer, and at all stages of the life cycle of products and services (see section 6 *Consumers and end-users*);
- BNP Paribas' Sustainable Sourcing Charter, applicable to Arval, reiterates the Group's ethical principles and commitments to its suppliers, and vice versa.

Arval's Sustainability Office is in regular contact with external stakeholders. The dialogue with the latter has fed into the building of the Arval Beyond strategic plan.

In the context of the European CSRD regulation, the interests and points of view of several key stakeholders (customers, suppliers, etc.) were taken into account in the realisation of Arval's double materiality assessment (see section 1.3.1 *Description of the processes to identify and assess material impacts, risks and opportunities*).

Each type of stakeholder has identified contacts within the functions that make up Arval's organisation. The company adapts its communication channels according to the objectives and expectations of the stakeholders. The main channels of interaction by type of stakeholder are summarized in the table below:

Table 6: Main modes of communication by stakeholder

Stakeholders	Main modes of communication
BtoB customers	<ul style="list-style-type: none"> Arval measures the satisfaction and recommendation rates (Net Promoter Score or NPS) of its customers through the monitoring of the various networks managed by the company. It also takes the greatest care in the processing of complaints and is committed to identifying dissatisfactions collected via social networks. Arval's private and professional customers have access to various means of communication. Most of Arval's businesses offer one or more channels (internet, telephone, e-mail, etc.) allowing the customer to give an opinion or make a complaint 7 days a week, 24 hours a day. These are taken into account in the development of new products or the improvement of the company's processes. Arval offers a call centre for its private customers for any enquiries relating to contracts and vehicles. Arval provides its medium and large corporate customers with dedicated employees, grouped into "account teams", divided into a portfolio of clients.
End-users or beneficiaries	<p>The end-user driver of vehicles leased by Arval may interact with Arval via:</p> <ul style="list-style-type: none"> Satisfaction surveys, which are regularly sent by e-mail and take into account the drivers' views, needs or complaints. The questions included in these surveys relate to the services provided, relationship management, the online solutions, the termination of contract and complaint management if one has taken place. Different means of complaint: most of Arval's businesses offer one or more channels (internet, telephone, e-mail, etc.) allowing the user to give an opinion or make a complaint 7 days a week, 24 hours a day. These are taken into account in the development of new products or the improvement of the company's processes. <p>The buyer of a used vehicle also has access to a telephone call centre for all requests relating to used vehicles for sale, as well as satisfaction surveys.</p>
Employees/Social partners	<ul style="list-style-type: none"> The Human Resources function conducts regular surveys on the quality of life at work. Arval maintains a dynamic social dialogue with the social partners, in connection with the agreements signed by BNP Paribas, including a worldwide agreement with UNI Global Union (the global union federation for service companies) for a fairer globalisation. The BNP Paribas Code of Conduct, applicable to Arval, guarantees an ethical whistleblowing right, ensuring the confidentiality and protection of whistleblowers. Since 2018, a procedure for the processing of alerts of moral or sexual harassment, discrimination, sexist acts or violence. has been put in place. In 2021, governance rules strengthened the prevention and treatment of non-compliant behaviour, and a system was made available on the intranet to allow employees to report alerts. Professional networks offer Arval employees the opportunity to support the diversity and inclusion policy on various topics (professional equality, parenthood, disability, etc.). The About Me HR interface facilitates career management, continuous feedback and personal development and is deployed to 100% of employees.
Suppliers	<ul style="list-style-type: none"> Since 2015, the Sustainable Sourcing team has been supporting buyers in integrating sustainable development criteria into their purchasing strategies. In 2021, Procurement & Performance (P&P) embarked on a labeling process to promote its dialogue practices and promote fair relations with suppliers. <p>P&P tailors its dialogue with suppliers according to their typology and uses various channels to collect their feedback throughout the purchasing process. Initiatives include:</p> <ul style="list-style-type: none"> Consultations and exchanges to better understand the market, adjust purchasing strategies and integrate social and environmental requirements. Regular business reviews with suppliers to evaluate and improve collaboration. Support for SMEs through the partnership with Pacte PME, aimed at simplifying processes and maintaining a minimum of 20% of expenditure with SMEs. Specific monitoring for companies in the protected and adapted sector, in partnership with Gesat (new name: Hosmoz) and participation in coalitions to promote inclusive purchasing. Internal mediation for suppliers in the event of difficulty, in accordance with the Responsible Supplier Relations Charter. Quarterly discussion sessions with key suppliers to share strategic ambitions and identify areas for progress in terms of Sustainable Sourcing. <p>These projects are aligned with BNP Paribas' CSR commitments, integrating sustainable requirements into calls for tenders for sensitive purchasing categories, particularly for sustainable digital technology.</p>

Targeted surveys, social dialogue, employee networks and the whistleblowing platform are among the tools used by the Group to listen to employees.

Pulse Surveys: measuring employee engagement and well-being

To better understand employee engagement, their adherence to the company's strategy, their perception of management, as well as to measure their level of satisfaction and well-being at work, BNP Paribas has been regularly conducting relationship surveys since 2020 that are delegated to entities around the world, including Arval. Arval has adapted this approach by integrating priority issues according to its context and has defined action plans in line with its environment.

In 2024, nearly 82% of Arval employees participated in the Pulse surveys. The overall engagement score resulting from the consolidation of 3 BNP Paribas engagement questions reached a high level of 81%.

In addition, every two years, a global Group survey is conducted among all employees, including Arval employees, on the topics of *Conduct & Inclusion*.

The quality of life at work assessment survey: assessing the quality of life at work and identifying psychosocial risks

Built in consultation with the medical coordinator of BNP Paribas SA and applicable to subsidiaries in France, including Arval, based on recognised scientific work, a survey to assess the quality of life at work is conducted every year by BNP Paribas, in order to provide an objective measure of the levels of stress and well-being at work as well as the factors likely to explain them. In 2024, it has reached more than 2,000 Arval employees in France. The survey is used to measure employees' feelings about their working conditions and to set up action plans as close as possible to the team's feedback.

Social dialogue

Social dialogue is essential for BNP Paribas and its subsidiaries, including Arval, in order to integrate the interests and rights of employees into its overall strategy. This commitment is reflected at European level through committees promoting social dialogue and at a global level through global Group agreements

Regarding employee representative bodies in France, the Central Social and Economic Committee ("CSEC") of BNP Paribas SA as well as the CSE of the Group's subsidiaries in France, including that of Arval France, are regularly informed of the Group's policy regarding CSR strategy, commitments and achievements. In 2024, it was informed by the Company Engagement Department, of the Group long-term CSR strategy aiming at supporting its customers and the resulting concrete actions.

At European level, a European Group Works Council has been existing since 1996. Indeed, the European Committee ("EC")¹¹ created in 1996 is a structure for information, exchange of views and dialogue, that covers 22 European countries and approximately 73% of BNP Paribas' total workforce at the end of 2024. Through this body, BNP Paribas and its subsidiaries, of which Arval is a member, have set up a consultation mechanism to ensure that the views of its employees are heard and considered.

Thus, in 2024, progress on the implementation of the GTS plan and the associated *People Strategy* (BNP Paribas Human Resources strategy) was shared with the European Works Council. Presentations and discussions were held, in particular around the Group's mobility policy, the evolution of the learning experience of employees and the evolution of customer offers.

At the global level, social dialogue is guaranteed by the Worldwide Agreement. Indeed, in line with the 2018 agreement entitled "Fundamental Rights and the Global Social Framework" (Worldwide Agreement), a new Worldwide Agreement was signed on 4 November 2024 between BNP Paribas and UNI Global Union, the global union representing the banking and insurance sectors, with the participation of the FECEC¹², the Group's European Works Council and the two representative trade

¹¹ Still including the post-Brexit United Kingdom.

¹² European Federation of Managers of Credit Institutions and Financial Institutions.

unions at Group level in France. This new agreement reinforces the global social floor common to all Group employees, including Arval, in all the countries in which it operates: new ways of working, technological transformations, professional equality and the fight against discrimination, support for parenthood, health and well-being at work.

This agreement also includes concrete and measurable commitments on human rights and fundamental rights at work, in particular the right to freedom of association and collective bargaining¹³, to support the continued sustainable growth of BNP Paribas' activities and the development of satisfactory working conditions for employees. This new agreement will be implemented in all the Group's locations, including Arval, thus enriching the common social floor and improving the rights of employees in several countries about local regulations. It will be monitored annually within the framework of a dedicated joint committee.

Employee-initiated networks

BNP Paribas and Arval's internal employee networks promote diversity, inclusion and social well-being. They offer spaces for transversal and informal exchanges, constituting information relays and sources of innovation. In 2024, these networks have organised numerous events in 6 countries in which Arval operates, on various topics such as professional equality, sexual orientation, intergenerational, parenting, ethnocultural origins and disability.

Employees' right to alert

Arval employees have the right to whistleblowing, allowing them to report in good faith serious breaches, threats to the public interest, or violations of standards and regulations, including the Group's Code of Conduct and internal procedures.

The ethical whistleblowing rights and the protection of whistleblowers are discussed in section 5.2.2 *Processes for engaging with own workers and workers' representatives about impacts*.

Consideration of stakeholders

The interests and views expressed by internal stakeholders (e.g. employees, social partners) and external stakeholders (e.g. investors, NGOs) feed into the Group's strategic thinking and decisions.

Committed to involving its employees in its strategy, BNP Paribas implements tools, from which Arval also benefits, allowing to regularly listen to its employees and their expectations in order to enrich its strategy and action plan.

The *People Strategy* was developed in 2021 and 2022 by the Human Resources department of BNP Paribas and based on listening to a wide variety of employees in 40 countries, to which a few dozen Arval talents contributed, in order to consider employees' expectations, particularly in terms of strengthening ethics and inclusion, improving the employee experience, and developing skills.

Arval's Sustainability Office is in regular contact with several external stakeholders. This dialogue with stakeholders supported the work during the construction of the *Sustainability* pillar of the Arval Beyond strategic plan.

In the context of the European CSRD regulation, the interests and views of several key stakeholders (employees, customers, investors, NGOs) were considered in the realisation of the Group's double materiality assessment (see section 1.3.1 *Description of the processes to identify and assess material impacts, risks and opportunities* in this chapter).

¹³ In line with the 10 principles of the Global Compact and 17 United Nations Sustainable Development Goals, the United Nations Guiding Principles on Business and Human Rights (UNGPs), OECD guidelines, internationally accepted human rights standards as defined in the International Charter of Human Rights and the International Labour Organization's ("ILO") core labour conventions on fundamental labour principles and rights.

The CSR policy is steered by the Sustainability Office teams. The latter is represented on the Executive Committee by the Chief Sustainability Officer. The Executive Committee regularly decides on CSR issues.

Presentation of interests and views of stakeholders in the governance

Arval's Executive Committee is informed of stakeholders' views and interests on the company's sustainability impacts through the Sustainability Office.

The presentations made by Arval's General Management to employee representatives in the CSE in France, during the mandatory annual consultations, are opportunities to discuss the Group's strategy, and in particular the sustainability strategy (in its 3 ESG dimensions). These presentations allow the members of the CSE to ask questions to the General Management, to obtain answers to all their questions, and to express their points of view and those of the employees. At the end of these meetings, employee representatives share their observations and points of attention with General Management, as was the case in 2024, in particular on the better consideration of the voice of employees, on improving communication for employees on the topics of the energy and environmental transition, the quality of life at work, training and employability of employees, especially seniors. The General Management takes note of the answers to these observations and points of attention, which are then shared by the Group Head of Human Resources to the Board of Directors and then to the employee representatives.

In addition, with regard to the disclosure of employees' views and interests relating to the company's sustainability impacts, the Arval's Board of Directors:

- was informed by Arval's Human Resources Department (HRD) of the answers to the observations and points of attention raised by the CSE following the presentation by the General Management of the Arval's strategy and sustainability strategy;
- was informed of Arval's diversity and inclusion policy, and the actions implemented following the results of the *Conduct & Inclusion* survey conducted in 2023 among employees;
- was informed about the implementation of the *People Strategy* as well as the results of targeted employee surveys measuring their engagement, satisfaction and quality of life at work.

1.3 Material impacts, risks and opportunities

1.3.1 Description of the processes to identify and assess material impacts, risks and opportunities

Structure of double materiality assessment

Based on the methodology developed by BNP Paribas and in compliance with the requirements of the CSRD, Arval carried out its double materiality assessment by following four successive steps to cover ESG topics:

1. Understand and define (i) Arval's value chain, in particular by distinguishing the two sub-perimeters into "Own operations" and "Commercial activities" covering all Arval mobility services, and (ii) ESG sub-topics relevant to Arval.
2. Identify on the two sub-perimeters of the value chain, (i) on the one hand internal and external stakeholders by exchanging directly with them and (ii) on the other hand the impacts, risks and opportunities at the level of the ESG sub-topics.
3. Assess on the two sub-perimeters of the value chain, the materiality of impacts, risks and opportunities for each sub-topic on a scale of 1-Minimal to 5-Critical.
4. Determine on the two sub-perimeters of the value chain, the materiality threshold for

impacts, risks and opportunities; when the rating is 3-Important and above on at least one of the three dimensions, then the sub-topic is considered material.

Impact materiality assessment methodology

The impact identification and assessment methodology is based on the number of requests from Arval's major stakeholders, whose requests are available, reliable and centralized within the BNP Paribas Company Engagement Department. These are operationally usable for Arval's impact assessment, in particular for employees, civil society and non-governmental organisations ("NGOs"), and investors. Requests from customers and suppliers are collected directly by Arval.

All these requests are classified by ESG sub-topic, and cover all of Arval's activities. The impact assessment is carried out in two stages:

- Customers, investors and NGOs inquiries received between 2022 and 2023 as well as employees considerations from a 2021 survey are counted to determine the impact materiality score for each ESG sub-topic.
- Following this analysis by ESG topic, an Arval internal expert adjustment is applied on the basis of internal documents - dedicated interviews with a sample of stakeholders - and external scientific references, reputational risks and an expert assessment of the scale, scope and irremediable character of the impact.

Arval assesses the materiality of impacts for each ESG sub-topic, on a scale of 1-Minimal to 5-Critical, and considers an impact as material from grade 3-Important. The use of this scale makes it possible to identify the material impacts of the company's business model in response to stakeholders' requests with the current tools and knowledge of internal experts.

Please note that:

- When assessing the impacts, Arval could not differentiate with a reasonable level of confidence the time horizons of the identified impacts, so Arval has chosen to apply a conservative approach considering all impacts as actual.
- Arval engages with all its stakeholders as described in section 1.2.2 *Interests and views of stakeholders*.
- In order to avoid double counting at the step of identifying impacts, risks and opportunities, the positive impacts related to financial opportunities for Arval have been considered as opportunities and have been therefore identified and assessed as such.
- The methodology for double materiality assessment is the same for all ESG topics, without distinction.

Financial materiality assessment methodology

Risk assessment

The risk identification and assessment methodology is based on the result of Arval's risk inventory process, Risk ID, designed to favorise anticipation and promote a forward-looking approach on the identification of severe but plausible risks for Arval. Each year, Risk ID contributors have access to an overview of the world's major risks and additional internal studies on ESG risks. This overview is based on studies of international players (World Bank, Organisation for Economic Co-operation and Development, International Monetary Fund, reinsurers, etc.) dealing with, among other things, ESG issues (climate, nature, social and corruption in particular). Based on this documentation and their expertise, Risk ID contributors, risk experts from the various business lines and entities, including teams in charge of risk, compliance and legal:

- Identify "risk events" defined as severe but plausible through risk scenarios.

- link these risk events to various risk factors, including ESG risk factors¹⁴
- assess the likelihood and severity of these risk events by assessing their potential expected loss.

Based on these elements, the potential expected losses are grouped by ESG risk factor and then compared on a scale of 1-Minimal to 5-Critical. This scale is parametrised on the annualised expected loss threshold for Arval, defined by BNP Paribas annually during the internal capital adequacy exercises (ICAAP exercise). Thus, the risks related to the ESG sub-topics are defined:

- as material (from grade 3-Important), for risk events associated with an ESG factor exceeding the annualized materiality threshold;
- as non-material (between 1-Minimal and 2-Informative), for risk factors associated with an ESG factor that does not exceed the annualized materiality threshold.

Please note that:

- The contributors to the Risk ID are invited to assess the relative materiality of the identified risk events, up to a long-term horizon. On the basis of the 2024 risk inventory (available at the beginning of 2025), it will be possible to assess the evolution of the materiality of ESG risk factors in the short (3 years), medium (10 years) and long term (30 years).
- For the identification and assessment of risk events caused by climate risks, Risk ID contributors can rely on the overview of the main risks, including the results of climate stress tests conducted by Greenval.

Opportunity assessment

In order to ensure consistency with other opportunity assessment work within Arval, the opportunity identification methodology is based on Arval's strategic plan and existing commercial offerings related to ESG topics. For commercial activities, the identification of opportunities concerns all the geographies covered by Arval.

The methodology for evaluating the opportunities is based on:

- the identification of a strategic commitment by Arval, followed by a performance indicator and linked to an ESG sub-topic;
- on the objectives for achieving the Arval Beyond strategic plan and/or on a qualitative assessment of the cost reductions related to the company's own operations.

Arval assesses the materiality of opportunities for each ESG sub-topic, on a scale of 1-Minimal to 5-Critical. The materiality threshold is determined from grade 3-Important and corresponds to an ESG sub-topic related to a strategic commitment followed by a performance indicator.

Please note that:

- Insofar as the quantification of opportunities corresponds to the achievement of the Arval Beyond strategic plan, the materiality of the opportunities is evaluated over a medium term;
- The methodology for identifying and assessing opportunities is not specific to climate change.

¹⁴ Correlation tables between the different Risk ID parameters make it possible to direct risk events to one or more ESG topics, without double counting.

Summary of the double materiality assessment

Governance and control of double materiality assessment

The double materiality assessment is coordinated and carried out by (i) the Sustainability Office for impacts and overall synthesis, (ii) the RISK Department for risks and (iii) the Finance Department for opportunities. The results are validated by Arval's Executive Committee and Board of Directors.

Regarding the source data used by the double materiality assessment:

- The information used for the impact assessment is based on reports provided by BNP Paribas on stakeholder views (see section 1.2.1 *Strategy, business model and value chain*), external scientific references, stakeholder interviews and the previous materiality study carried out by Arval.
- The information used for the risk assessment follows the following validation scheme:
 - At Arval, the risk identification and assessment exercise is coordinated and challenged by the RISK Department with all the Businesses and Functions, validated by the CEO and the Chief Risk Officer.
 - At BNP Paribas central level, a review and challenge process is then carried out for final validation before the committee validating the work of the ICAAP.
- Regarding the information used for the evaluation of opportunities, checks are carried out on the performance indicators of the Arval Beyond strategic plan.

Regarding the construction and results of the double materiality assessment, internal governance has made it possible to validate the stages of carrying out the analysis since 2024.

In 2025, the formalisation of the internal control process for sustainability information will include the double materiality exercise.

1.3.2 Material impacts, risks and opportunities and their interaction with strategy and business model

Table 7: Double materiality matrix by sustainability topic

Material impacts, risks and opportunities for Arval				Non-material	
Environment	Climate change mitigation	Impact: 5 - Critical	Risk: 4 - Significant	Opportunity: 5 - Critical	Water and marine resources
	Climate change adaptation	Impact: 1 - Minimal	Risk: 4 - Significant	Opportunity: 1 - Minimal	Resource use and circular economy
	Pollution	Impact: 3 - Important	Risk: 1 - Minimal	Opportunity: 1 - Minimal	Biodiversity and ecosystems
Social	Own workforce	Impact: 3 - Important	Risk: 3 - Important	Opportunity: 3 - Important	Workers in the value chain
	Consumers and end-users	Impact: 3 - Important	Risk: 1 - Minimal	Opportunity: 4 - Significant	Affected communities
	Customer security, including privacy	Impact: 1 - Minimal	Risk: 4 - Significant	Opportunity: 1 - Minimal	
Governance	Business Conduct, Anti-corruption and Whistleblowers	Impact: 1 - Minimal	Risk: 3 - Important	Opportunity: 1 - Minimal	Relationship with suppliers
					Cybersecurity

Material

- 5 - Critical
- 4 - Significant
- 3 - Important
- 2 - Informative
- 1 - Minimal

In 2024, Arval enriched its risk mapping and materiality assessment by carrying out its double materiality assessment. This exercise addresses both its own operations and its entire value chain.

Arval's strategy takes into account topics identified as material in its business model. The Arval Beyond strategic plan is designed to respond to changes in the mobility market and the new expectations of stakeholders. It integrates both environmental and societal issues, which are topics that are mainly represented in Arval's exercise of double materiality. The company ensures that it takes advantage of opportunities in line with its strategic objectives, while continuously monitoring and evaluating its performance in relation to its negative impacts and risks.

The material negative impacts, risks and opportunities described below are the result of Arval's double materiality assessment, the methodology of which is described in section 1.3.1 *Description of the processes to identify and assess material impacts, risks and opportunities*.

- As a reminder, the negative impacts identified by Arval's double materiality assessment methodology, according to the same BNP Paribas method, are considered actual so they do not have associated time horizons.
- Opportunities have been identified in the medium term.
- Risks are identified in the short term (less than 3 years), in the medium term (3 to 10 years) and in the long term (up to 30 years), based on the time horizons of the Risk ID process.

For climate change, a distinction should be made between two types of risks:

- Physical risks: resulting from the direct impact of climate change on people and property due to extreme weather events or long-term changes in climate patterns such as hail or flooding.
- Transition risks: resulting from a change in stakeholder practices in response to the implementation of energy policies, changes in regulations, technological innovations or changes in consumer preferences.

Table 8: List of material IRO for Arval

ESG topic	Impacts, Risks and Opportunities	Description	Value Chain
Adaptation to climate change	Physical risk	Operations: risk related to the financial impact of asset losses, early contract terminations or material damage caused by natural disasters, including Arval's fleet and buildings.	Own operations
	Physical risk	Supply chain: risk of raw material shortages, quality and availability issues due to extreme weather events related to climate change.	Commercial activities
Climate Change Mitigation	Negative impact	Vehicle use: the vehicle fleet generates a negative impact on the environment and contributes to global warming to the extent that the internal combustion vehicles, which still represent a significant part of vehicles on the road, consume non-renewable resources and emit greenhouse gases.	Commercial activities
	Negative impact	Supply chain: the manufacture of vehicles, spare parts, batteries, tyres and the logistic transport of the vehicles to deliver and/or resale generate CO ₂ emissions.	Commercial activities
	Transition risk	Residual value of vehicles: legislative, technological and/or consumer preferences regarding vehicle energy could lead to a decrease in the resale value of the vehicles in Arval's fleet.	Commercial activities
	Opportunity	Cost savings: In the long term, reducing greenhouse gas emissions from scopes 1 and 2 could lead to cost savings.	Own operations
	Opportunity	Regulation: New regulations limiting the use of older or high greenhouse gas emitting vehicles can attract consumers to electric mobility solutions.	Commercial activities
	Opportunity	Customers: By focusing on new vehicle use practices, such as car-sharing, which contributes to reducing the upstream manufacturing emissions in the value chain, Arval can attract new customers.	Commercial activities
Pollution	Negative impact	Pollution from the use of the fleet: driving vehicles with internal combustion engines, biofuels and hybrids generates air pollution other than greenhouse gases (NOx, fine particles, VOCs, CO). This pollution has an impact on people's health. The production of non-renewable energy to charge battery electric vehicles (BEVs) and plug-in hybrids (PHEVs) also generates air pollution. The use of brakes releases particles that are dangerous to health. Tyre abrasion releases microplastics that pose a significant threat to wildlife and accumulate in the food chain. In addition, engines and tyres emit noise, the acceptable levels of which are regulated.	Commercial activities
Business Management	Risk	Business conduct: Given the diversity of the stakeholders with whom it operates, Arval could be subject to bribery attempts by a business partner or supplier, or could risk bribing a public official, with reputational and sanction consequences.	Commercial activities
	Negative impact	Discrimination, inequality and exclusion: Benefiting from fair and equitable work is considered a major issue by stakeholders. However, in some cases, Arval employees may occasionally be confronted with situations of discrimination at certain points in their professional career, such as during recruitment, performance evaluations, promotions and compensation reviews.	Own operations

ESG topic	Impacts, Risks and Opportunities	Description	Value Chain
Own workforce	Negative impact	Violence and harassment at work: the relationships between colleagues can, from time to time and in some cases, degenerate into situations of verbal or physical violence, or harassment. Arval employees may also be exposed to these risks for a short term in their interactions with customers and other external stakeholders, taking the form of incivility towards them.	Own operations
	Negative impact	Social protection of employees: as public social protection programmes do not systematically exist in all the countries where Arval operates, the lack of measures could potentially have a negative impact on Arval employees.	Own operations
	Risk	HR legal risks: disputes related to discrimination (which may include harassment), poor execution of employment contracts and unequal treatment.	Own operations
	Risk	Psychosocial risks: psychosocial risks for employees related to the recent changes in the working methods and the working environment	Own operations
	Opportunity	Gender diversity: by fostering an inclusive, balanced and supportive work environment, Arval promotes the attractiveness and retention of high-level talents thus reducing external recruitment costs.	Own operations
	Opportunity	Work-life balance: contributing, among other factors, to the well-being at work, the retention and the efficiency at work of the employees.	Own operations
	Opportunity	Skills development: promoting the employees satisfaction, retention, loyalty, skills development and employability and thus reducing external recruitment costs.	Own operations
Consumers and end-users	Negative impact	Health and safety: Pollution from vehicles, road accidents and other driver safety hazards caused by physical risks due to climate change (flooding, etc.) have negative impacts on the health and safety of consumers.	Commercial activities
	Negative impact	Impacts related to clear, transparent and non-misleading information: Financial products and services offered to individual customers may result in material negative impacts if the information provided to them is not sufficiently clear and complete. For example, if the pros and cons of a mobility product are not presented in a clear, transparent and balanced manner, customers risk being misled and making decisions that do not align with their needs or financial situation, exposing them to possible financial difficulties. This can be particularly damaging for clients who are financially fragile or less familiar with complex financial products, thus increasing the risk of financial losses. Given the large volume of products and services commercialised by Arval, a lack of information can potentially affect a large number of customers.	Commercial activities
	Negative impact	Impacts related to customer satisfaction: customer dissatisfaction is an impact related to a one-off incident and means that Arval has not responded to a customer need. The incident may cover operational issues (e.g. difficulty in accessing the customer area on the internet) or commercial issues (e.g. inadequate sale with advice on a product that is not adapted to the customer's risk profile).	Commercial activities

ESG topic	Impacts, Risks and Opportunities	Description	Value Chain
	Risk	<p>Risks related to the protection of personal data: Arval processes a certain volume of personal information related to its individual customers, such as identification data (e.g. name, ID number, etc.) or contact data (e.g. postal address, e-mail, telephone number, etc.).</p> <p>Arval may face legal and reputational risks resulting from breaches of data protection legislation, such as the violation of the General Data Protection Regulation ("GDPR") in the European Union, and/or risks of loss or theft of confidential information about its individual customers.</p>	Own operations
	Opportunity	<p>Driver safety: Arval can strengthen its competitive position and revenues by offering vehicles with advanced safety features and connected services, and by implementing road safety initiatives for drivers of leased vehicles . This approach targets customers who are concerned about the environment and safety, improves satisfaction, reduces accidents and lowers repair and insurance costs.</p>	Commercial activities

The frequency and intensity of climatic phenomena as well as the energy transition factors related to the automotive sector are influencing the vehicle leasing business, which may increase the pressure on Arval's financial performance, particularly in a context of the used electric vehicle market that is not yet mature. Risk management, related to ESG factors, is presented in section 1.1.4 *Risk management and internal controls over sustainability reporting* of this document.

To date, Arval has not identified any material impact of the Group's main risks and opportunities not taken into account on its current financial position, results and cash flows.

From a long-term perspective, the main risk likely to lead to a significant adjustment in the carrying values of assets and liabilities reported in the financial statements, is the impact of the energy transition on the measurement of vehicle residual values. Close monitoring of these residual values and events likely to impact them is inherent to Arval's operating leasing activity. In particular, the policies put in place to diversify by vehicle categories or rental countries, and to extend the leasing period and thus the period of vehicle ownership, help to minimize the potential financial impacts induced by the risk of energy transition.

2 Climate change

Arval presents below its strategy, performance and commitments, in connection with the issue of climate change.

Arval develops the following topics:

Strategy: The strategy for aligning activities with its decarbonisation trajectories is presented in section 2.2.1 *Transition plan for climate change mitigation*.

Climate Change Mitigation and Adaptation Policies: Arval describes below the policies adopted to manage the material impacts, risks and opportunities related to climate change in section 2.3.2 *Policies related to climate change mitigation and adaptation*.

Actions in line with Arval's decarbonisation trajectory: the actions taken by Arval in relation to its risks, impacts and opportunities aim to reduce its indirect footprint, by supporting its customers towards carbon-free mobility through the proposal of adapted products and services, structured around three main levers: the composition of the fleet, the sustainable use of vehicles and alternative mobility to the individual vehicle. The actions taken also concern its own operations, through the use of low-carbon electricity, and initiatives in favour of sustainable premises management, mobility and IT for its employees.

Metrics and targets: Arval presents its metrics and objectives related to the reduction of its indirect greenhouse gas emissions. Arval also details its energy consumption and energy mix for its own operations. These elements are presented in section 2.4 *Metrics and Targets*.

These elements are presented in the summary table below.

Table 9: Impacts, Risks and Opportunities (IRO) related to climate change

Category	Description	Policies	Actions	Metrics and targets
Adaptation				
Risk	<i>(Physical risk)</i> Operations: risk related to the financial impact of asset losses, early contract terminations or material damage caused by natural disasters, including Arval's fleet and buildings.	Arval Beyond strategic plan Decarbonisation plan	<ul style="list-style-type: none"> • Protection of stocks in risk areas • Management of a risk indicator for vehicles in stock not physically covered • Actions towards drivers: weather alert procedure, parking in secure areas • Reinsurance policy for natural disasters and adaptation of the damage coverage of the vehicle insurance policy • Business continuity plan 	
Risk	<i>(Physical risk)</i> Supply chain: risk of raw material shortages, quality and availability issues due to extreme weather events related to climate change.	Resilience analysis	<ul style="list-style-type: none"> • Diversification of vehicle supplies • Reduction of supply requirements by gradually increasing vehicle ownership and vehicle sharing • Use of SMART Repair to reduce the need for spare parts supply 	22% yearly SMART Repair ¹⁵ out of total body repair events worldwide by 2026
Mitigation				
Impact	<i>(Negative impact)</i> Vehicle use: the vehicle fleet generates a negative impact on the environment and contributes to global warming insofar as internal combustion vehicles, which still represent a significant part of vehicles on the road, consume non-renewable resources and emit greenhouse gases.	Arval Beyond strategic plan Decarbonisation plan Resilience analysis Sustainable Sourcing charter Own Operations Policy BNP Paribas' IMEX environmental and energy policy BNP Paribas Travel Policy Arval mobility policy for employees	<p>Support for the transition to lower-emission vehicles</p> <ul style="list-style-type: none"> • Consulting missions for companies (STAR)¹⁶ • Extensive offer of electric vehicles • Facilitating access to charging infrastructure • Controlling the average weight of vehicles • Gradually extending the ownership period of vehicles enables Arval to spread out emissions depreciation over a longer timeframe. <p>Usage Optimisation aiming to reducing emissions</p> <ul style="list-style-type: none"> • Real-time driving data management and personalized reports on vehicle usage • Eco-driving training • Route optimisation solutions • Vehicle sharing <p>Shifting journeys towards less carbon-intensive mobility</p> <ul style="list-style-type: none"> • Soft mobility and inclusion of public transport in mobility solutions 	<p>-30% decrease of average WLTP tailpipe CO₂ emissions per vehicle of Arval fleet and per km in 2026 compared to January 2020¹⁷</p> <p>600,000 vehicles with customers subscribing to the Arval Connect connected service</p> <p>12,000 Consulting days provided by Arval to its customers on sustainable mobility between 2020¹⁸ and 2026</p>

¹⁵Small to Medium Area Repair Technology ("SMART"): the use of specialist tools and products to repair damages such as dents and cracks. Avoids the need to replace or repaint an entire panel or component.

¹⁶ Strategic Transformation through Actionable Recommendations.

¹⁷ Average of CO₂ emissions are calculated as a weighted average of the Arval entities' fleet (Passenger cars and LCVs). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.

¹⁸ Any mission that contributes to decarbonising corporate customers' mobility.

Category	Description	Policies	Actions	Metrics and targets
Impact	<i>(Negative impact)</i> Supply chain: the manufacture of vehicles, spare parts, batteries, tyres and the logistical transport of vehicles for delivery and/or resale generate CO ₂ emissions.		Actions to reduce production needs <ul style="list-style-type: none"> • Gradual extension of vehicle ownership • Vehicle sharing • Soft mobility solutions and inclusion of public transport in mobility solutions 	-35% reduction in real emissions ¹⁹ in gCO ₂ intensity per km driven during the lease and after resale of the vehicle, in 2030 compared to January 2020
Risk	<i>(Transition risk)</i> Residual value of vehicles: legislative, technological and/or consumer preferences regarding vehicle energy could lead to a decrease in the resale value of vehicles in Arval's fleet.		Reduction of the resources required by controlling the average weight of new vehicles within each engine <ul style="list-style-type: none"> • Offering a diversity of vehicle makes and models to mitigate concentration risk • Constant adaptation of residual value calculation tools and models to market developments to minimise the risk of discrepancies between the estimated and the actual • Gradual increase in the ownership period of vehicles to reduce the risk base for resale • Promoting the transition of the used vehicle market • Facilitating access to charging infrastructure • Raising awareness and advising customers in the second-hand market • Diversification of used vehicles sales channels 	Percentage contribution of the most represented manufacturer in Arval's fleet
Opportunity	<i>(Opportunity)</i> Cost savings: In the long term, reducing greenhouse gas emissions from scopes 1 and 2 could lead to cost savings.		<ul style="list-style-type: none"> • Sustainable mobility for employees with a lower cost of operating electric vehicles • Sustainable catering and avoidance of food waste • Initiatives in favour of sustainable IT and responsible premises management (Green Building programme, carbon reduction plan for the building portfolio in France) allowing energy savings • Initiatives with operational subcontractors 	1.85 tCO ₂ /FTE in 2025 ²⁰ 100% of electric vehicles at order in Arval's internal fleet ²¹ in 2026

¹⁹ See Table 17 Methods for calculating scope 3 greenhouse gas emissions.

²⁰ The time horizon for this target is 2025, aligned with BNP Paribas' overall objective. In 2024, the Group simplified the methodology for allocating energy consumption between its entities. Following this methodological change, Arval has aligned its target with that of the Group.

²¹ Arval fleet leased for the benefit of its employees and at the expense of Arval, worldwide excluding Latin America, Morocco & Turkey.

Category	Description	Policies	Actions	Metrics and targets
Opportunity	(Opportunity) Regulation: New regulations limiting the use of older or high-greenhouse gas emitting vehicles can attract consumers to electric mobility solutions.	Arval Beyond strategic plan Decarbonisation plan	<p>Support for the transition to lower-emission vehicles</p> <ul style="list-style-type: none"> • Consulting missions to companies (STAR) • Extensive offer of electric vehicles • Facilitating access to charging infrastructure • Rental solutions adapted to electric vehicles • Controlling the average weight of vehicles <p>Offering a diversity of vehicle brands and models</p> <p>Optimisation of use aimed at reducing emissions</p> <ul style="list-style-type: none"> • Real-time driving data management and personalized reports on vehicle usage • Eco-driving training to reduce energy consumption • Route optimisation solutions • Vehicle sharing <p>Shifting journeys towards less carbon-intensive mobility:</p> <ul style="list-style-type: none"> • Soft mobility and the inclusion of public transport in mobility solutions 	<p>-30% decrease of average WLTP tailpipe CO₂ emissions per vehicle of Arval fleet and per km in 2026 compared to January 2020²²</p> <p>400,000 electric vehicles in the leased fleet²³ in 2026</p> <p>600,000 vehicles with customer subscription to the Arval Connect connected service</p> <p>12,000 Consulting days provided by Arval to its customers on sustainable mobility between 2020²⁴ and 2026</p> <p>-35% reduction in real emissions²⁵ in gCO₂ intensity per km driven during the lease and after resale of the vehicle, in 2030 compared to January 2020</p>
Opportunity	(Opportunity) Customers: By focusing on new vehicle use practices, such as car-sharing, which contributes to reducing emissions from manufacturing upstream in the value chain, Arval can attract new customers.	Arval Beyond strategic plan Decarbonisation plan	<p>Shifting journeys towards less carbon-intensive mobility</p> <ul style="list-style-type: none"> • Soft mobility and inclusion of public transport in mobility solutions • Consulting missions to companies (STAR) <p>Vehicle sharing to optimise use with a view to reducing emissions</p>	<p>12,000 Consulting days provided by Arval to its customers on sustainable mobility between 2020²⁶ and 2026</p>

²²Average of CO₂ emissions are calculated as a weighted average of the Arval entities' fleet (Passenger cars and LCVs). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.

²³The 2026 ambition assumes similar or better supporting measures from the relevant governments on electric vehicles, as well as charging infrastructures & supporting services being further upgraded.

²⁴ Any mission that contributes to decarbonising corporate customers' mobility.

²⁵ See Table 17 Methods for calculating scope 3 greenhouse gas emissions.

²⁶ Any mission that contributes to decarbonising corporate customers' mobility.

2.1 Governance

2.1.1 Integration of sustainability-related performance in incentive schemes

Information on the share of variable remuneration of Arval's Chief Executive Officer is detailed in section 1.1.3 *Integration of sustainability-related performance in incentive schemes* in this report.

2.2 Strategy

2.2.1 Transition plan for climate change mitigation

The building blocks of the transition plan aim to address 3 collective challenges specifically related to climate action: decarbonisation, resilience and transition. As a result, the key elements of the future transition plan, referred to throughout this report as the "decarbonisation plan", integrate the challenges of reducing greenhouse gas emissions, adapting to climate change and transition into a coherent and ambitious approach for the next 5 years. The decarbonisation plan detailed below covers all the geographical areas where Arval operates.

1. Ambition and strategy

Arval has been committed to the transition of its business to low-carbon mobility solutions since 2020, with its Arval Beyond strategic plan aimed at implementing actions to reduce theoretical tailpipe emissions (also known as "WLTP emissions²⁷") from its leased fleet. This plan is intended to enable the emergence of electric mobility as well as new mobility solutions (car-sharing, alternative mobility, etc.). Targets have been defined, in accordance with the ambition of this plan for 2026, activating the levers for fleet composition, optimisation of vehicle use and new mobility. This plan is referred to as **the Arval Beyond strategic plan** in the following climate change policies and actions. This plan and its indicators have been published on Arval's website.

In 2024, Arval has embarked on a new phase by reaffirming its environmental ambition, which is also published on its website (see section 1.2.1 *Strategy, business model and value chain*), and by conducting work to expand the scope of emissions measured according to the GHG protocol²⁸ (scope 3 of Arval's fleet). These now additionally include upstream emissions related to manufacturing as well as real emissions from the use phase during the leasing period and after the vehicles are sold. These real emissions take into account distances travelled rather than theoretical emissions.

In this context, Arval has established a decarbonisation trajectory by 2030 based on the use phase of the vehicles combining the mileage achieved over the current year under leasing and a projection of future mileage after resale based on the assumptions published by the manufacturers. This trajectory is referred to as the **decarbonisation plan** in the following climate change policies and actions. It is based on levers common to the Arval Beyond strategic plan and complementary levers (see Table 14 summary presented in section 2.3.2 *Policies related to climate change mitigation and adaptation*).

Arval is committed to submitting trajectories compatible with the commitments of the 2015 Paris Climate Agreement for validation by Science Based Targets (SBTi) over the next two years.

At the same time, Arval has set targets for reducing greenhouse gas emissions from its own operations (scopes 1, 2 and 3 relating to its employees' business travel), supported by actions to promote the improvement of the energy efficiency of its buildings and the sustainable mobility of its employees.

²⁷ WLTP (Worldwide Harmonised Light vehicles Testing Protocol). Worldwide harmonized light vehicle test procedure. Where applicable, data from previously valid NEDC (New European Driving Cycle) standards have been normalised to equivalent WLTP values.

²⁸ The GHG Protocol is an international standard for accounting for greenhouse gas emissions, providing a standardized approach to estimating and reporting greenhouse gas emissions.

2. Governance

The governance put in place ensures a cross-functional management of the decarbonisation plan, with the involvement of all the company's functions as well as the Executive Committee, which also includes the Chief Executive Officer, a member of Arval's Board of Directors. The decarbonisation plan has been approved by Arval's Board of Directors.

As detailed in the section *Governance of General disclosures*, the Sustainability Steering Committee oversees CSR indicators related to strategic objectives.

3. Decarbonisation objective and trajectory

Decarbonisation objective and trajectory in relation to commercial activities

Arval Beyond strategic plan

To combat climate change, Arval aims to reduce the average theoretical tailpipe CO₂ emissions (WLTP values) of its leased fleet by 30% between 2020 and 2026, and therefore to reach an average of 100 gCO₂/km in 2026. This target is accompanied by a target of reaching 400,000 electric vehicles in the fleet by the end of 2026.

The transition covers all the countries where Arval operates, and includes passenger and light commercial vehicles. In 2024, the fleet's average tailpipe carbon intensity decreased to 111 gCO₂/km (-22.4%), compared to 143 gCO₂/km in January 2020. This performance is the result of a +52% increase in electric vehicles leased in 2024 (253,373 vehicles), for a total of 573,086 electrified vehicles (electric and hybrids).

The climate change targets of the Arval Beyond strategic plan are set out in the table below:

Table 10: Presentation of the indicators by pillar of the Arval Beyond strategic plan and associated targets

Pillar	Indicator	2024 Result	2026 Target
Economic	Number of Consulting days provided by Arval to its customers on sustainable mobility, cumulated since 2020 ²⁹	7,800	12,000
	Number of vehicles with customer subscription to the Arval Connect connected service	179,077	600,000
Environmental	% decrease of average WLTP tailpipe CO ₂ emissions per vehicle of Arval fleet and per km compared to January 2020 ³⁰	-22.4%	-30%
	Number of electric vehicles in the leased fleet ³¹	253,373	400,000
	% of yearly SMART Repair ³² out of total body repair events worldwide	19%	22%

Decarbonisation plan

Addressing the impacts related to the use of vehicles, the well-to-wheel greenhouse gas emissions³³ (scope 3 emissions related to the use of vehicles during the leasing period and after their resale), calculated in intensity per kilometre, are established according to the methodology available from the SBTi initiative. The decarbonisation trajectory aims to achieve a reduction of -35% in real emissions in gCO₂ intensity per kilometre travelled, i.e. 144 gCO₂/km in 2030 compared to 221 gCO₂/km in January 2020. The term "real emissions" corresponds to direct and indirect emissions (including upstream energy production and distribution as well as a correction of WLTP emissions with the aim of approaching actual emission values, in particular related to overconsumption of fuel in real conditions) during the use of the vehicle over its entire lifetime, corresponding to categories 11 (use of products sold) and 13 (use of leased assets) of the GHG protocol. This target applies only to scope 3 of greenhouse gas emissions and does not include scopes 1 and 2. The actions implemented by Arval are described in section 2.3.3 *Actions and resources in relation to climate change policies*.

Given the growth in Arval's economic activity, the absolute emissions values will not decrease at the same pace as the above target intensity, the evolution of the absolute values by 2030 is reported in the tables in section 2.4.3 Gross scopes 1&2, 3 and total GHG emissions.

The emissions dataset includes the fleet of Arval entities around the world, covering passenger cars and light commercial vehicles.

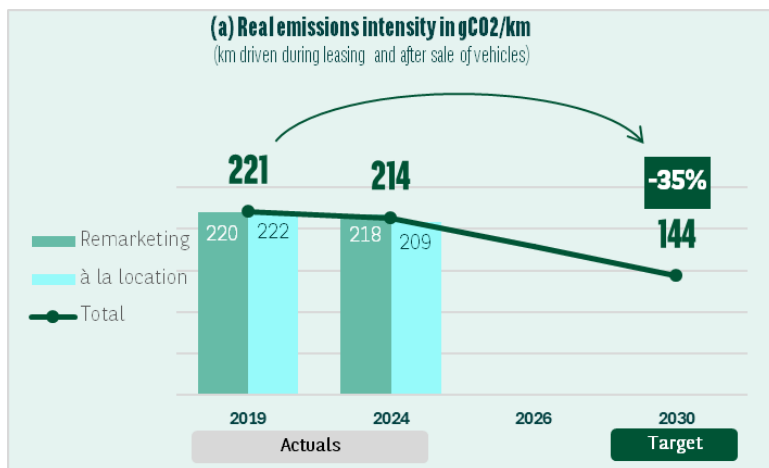
²⁹ Any mission that contributes to decarbonising corporate customers' mobility.

³⁰ Average of CO₂ emissions are calculated as a weighted average of the Arval entities' fleet (Passenger cars and light commercial vehicles). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.

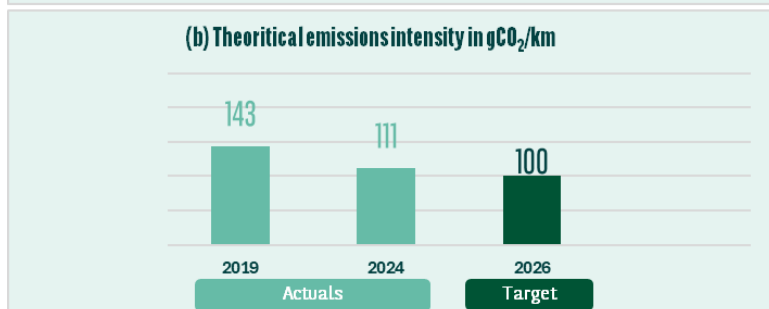
³¹ The 2026 ambition assumes similar or better supporting measures from the relevant governments on electric vehicles, as well as charging infrastructures & supporting services being further upgraded.

³² Small to Medium Area Repair Technology ("SMART"): the use of specialist tools and products to repair damages such as dents and cracks. Avoids the need to replace or repaint an entire panel or component.

³³ Including direct emissions from fuel combustion, indirect emissions from power generation, and upstream energy-related emissions.



(a) Corresponds to the well-to-wheel GHG emissions covering the emissions of leased vehicles in the past year and future emissions of vehicles sold during the year. Emissions include greenhouse gases related to energy production to which a *real-world emissions* ratio published by the European Environment Agency (published in July 2024) is applied, which approximates the real emissions of vehicles in use.



(b) The theoretical emissions correspond to the weighted average of the WLTP emissions of Arval's fleet (passenger and light commercial vehicles). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.

To achieve this goal, Arval focuses on the three decarbonisation levers described in section 2.3.3 *Actions and resources in relation to climate change policies*, which will contribute at different scales to the emission reduction target.

Table 11: Presentation of decarbonisation plan levers, composed of levers common to the Arval Beyond strategic plan and complementary levers

Lever	% of contribution to the reduction target	Modelled measurement
Fleet composition	82%	Continuing the electrification of the fleet
	9%	Controlling the average weight of new vehicles within each engine category
		Gradually increase the ownership period of assets at Arval
Sustainable use of vehicles	8%	Reducing energy consumption through eco-driving
		Increasing Hybrid Vehicle (PHEV) Charging
Alternative mobility to the individual vehicle	1%	Reducing the size of certain corporate fleets through car-sharing
		Convert journeys with carbon-based vehicles to active mobility such as bikes, public transport, etc.

Although the targets described above are quantified in relation to the impact of vehicle use, the levers of the decarbonisation plan also enable addressing the impacts on the supply chain, by reducing the average weight of new vehicles leased, extending the ownership period of assets, which enable equivalent reduction of new vehicles acquisitions, while seizing the opportunities linked to the rise of electric mobility solutions and new vehicle use practices (mobility pass, car-sharing, etc.). Transition

risk will also be mitigated by certain actions in the decarbonisation plan, such as the continuation of electrification and the increase in the ownership period, decreasing the residual value risk base.

The objectives have been established considering the regulatory framework known to date and assuming that no significant changes will occur over the period. They are defined by assuming a stable average annual mileage of vehicles between January 2020 and 2030 based on the average observed within the Arval fleet.

Decarbonisation objective and trajectory in connection with its own operations

The targets, which cover emissions from its own operations (direct emissions (scope 1), indirect emissions from energy purchases (scope 2) and indirect emissions from its employees' business trips), are set in intensity per full-time equivalent (FTE) employee. The latter also represent an opportunity for cost control, or even savings in the long term. The 2025 targets for scopes 1 and 2 as well as the "Business Travel" category are aligned with those of BNP Paribas, i.e. an intensity of less than or equal to **1.85 tCO₂/FTE** in 2025 (based on market-based emissions).

To achieve this objective, Arval has implemented a mobility policy for its employees, including an objective of electrifying its internal fleet of vehicles at order.

Table 12: Presentation of the indicators of the Arval Beyond strategic plan and the decarbonisation plan relating to its own operations

Pillar	Indicator	2024 Result	Objective
Environmental	% of electric vehicles at order in Arval's internal fleet ³⁴	96%	2026 100%
	Yearly tonnes of CO ₂ equivalent emissions from Arval's own operations (buildings and business travels) per employee ³⁵	1.46	2025 <1.85

4. Mitigation scenarios and actions

Arval has carried out scenarios to assess the potential impacts of regulatory changes and growing market expectations in terms of reducing greenhouse gas emissions. These analyses make it possible to prioritise the necessary actions, particularly in terms of offers and management of the vehicle fleet. Environmental regulations, possible easing or tightening of emission standards or changes in the methods of calculating the environmental performance of vehicles, as well as the pace of installation of public and private charging stations, or the evolution of the price of electricity, may have significant consequences on the pace of electrification and more broadly of decarbonisation of the automotive market in the countries where Arval operates, and therefore the consequences on Arval's ability to meet the objectives of reducing greenhouse gas emissions. In addition, the growing maturity of customers for low-carbon mobility solutions allows Arval to increase the share of electrified fleets and to develop services that meet these expectations. These actions aim to ensure competitiveness, and to minimize the risks and negative impacts related to the transition to a decarbonised economy.

³⁴ Arval fleet leased for the benefit of its employees and at the expense of Arval, worldwide excluding Latin America, Morocco & Turkey.

³⁵ The time horizon for this target is 2025, aligned with BNP Paribas' overall objective. In 2024, the Group simplified the methodology for allocating energy consumption between its entities. Following this methodological change, Arval has aligned its target with that of the Group.

Reducing Scope 1 and 2 emissions

To reduce scope 1 and 2 emissions, Arval integrates greenhouse gas emission reduction targets into all its operational processes, including:

- energy sobriety (adapting uses to reduce demand);
- energy efficiency (producing, transporting and using energy more efficiently);
- the use of low-carbon energy, and in particular renewable energies.

Sections 2.3.2 *Policies related to climate change mitigation and adaptation* and 2.3.3 *Actions and resources in relation to climate change policies* of the report present the efforts put in place by Arval to reduce scope 1 and 2 emissions.

Reducing scope 3 emissions

In parallel with the objective of electrifying the fleet, Arval is activating various operational levers to change the composition of its fleet with a view to reducing its emissions, in particular: advice on the type of vehicles, favouring lighter vehicles, and the increase in the period of vehicle ownership, making it possible to postpone renewals, and therefore the production needs of new vehicles. It also allows for the amortisation of emissions over a longer leasing period, mechanically reducing residual emissions after resale. Thus, to reduce scope 3 emissions, Arval implements different policies and actions described in sections 2.3.2 *Policies related to climate change mitigation and adaptation* and 2.3.3 *Actions and resources in relation to climate change policies* of the report.

Potential greenhouse gas emissions

Given the inertia of fleet renewal and the extension of asset ownership periods, beyond the 3 to 4 years on average observed so far, Arval will continue to record significant levels of emissions related to internal combustion vehicles in the carbon footprint of its on-road fleet for several years to come. The increasing penetration of electric vehicles in Arval's leased fleet will also generate a mechanical increase in emissions during the construction phase, linked to the fact that low-carbon vehicles are more emissive to manufacture than internal combustion vehicles in the same category.

5. Financial Strategy and Planning

Arval's Executive Committee approves the investment and operating expenses necessary for the implementation of the decarbonisation plan. The Executive Committee, the Board of Directors and the Sustainability Steering Committee are regularly informed of the progress of the action plans put in place to reduce the company's risks and negative impacts on the climate, but also to decide on the opportunities to be seized. Finally, the validation of the decarbonisation plan and the associated investments is the responsibility of the Board of Directors.

Accounting and verification of scopes 1, 2 and 3

Arval bases its greenhouse gas emissions calculations on the guidelines of the GHG protocol. Arval has set targets and implemented a series of indicators to drive its performance in terms of climate transition, including indirect emissions generated in Arval's value chain.

Arval's alignment with the European Taxonomy and climate benchmarks

According to Commission Delegated Regulation (EU) 2021/2178³⁶, Arval includes a reference to the analysis of vehicle leasing activities, including motorcycles, passenger cars and light commercial vehicles. This information is presented in section 4 *Application of the European Taxonomy to Arval's activities* of this report.

In addition, and in accordance with the criteria set out in Article 12(2) of Commission Delegated Regulation (EU) 2020/1818³⁷ (Climate Benchmarks Regulation), Arval is not excluded from benchmarks aligned with the Paris Agreement.

Validation of the decarbonisation plan

The elements of Arval's decarbonisation plan and the associated objectives have been approved by the Board of Directors.

2.2.2 Material impacts, risks and opportunities and their interaction with strategy and business model

The section on the resilience analysis of Arval's economic model and strategy in the face of climate change is presented in section 2.3.2 *Policies related to climate change mitigation and adaptation* of this report.

The Table 9: Impacts, Risks and Opportunities (IRO) related to climate change carried forward as the introduction to the *Climate change* presents the policies, actions and targets related to the impacts, risks and opportunities identified as material for Arval. The different resources allocated to policies, actions and objectives are described in section 2.3.3 *Actions and resources in relation to climate change policies*.

2.3 Impacts, risks and opportunities management

2.3.1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

In accordance with the principles of environmental responsibility, Arval is committed to identifying and assessing the impacts, risks and opportunities related to climate change.

With regard to impacts on climate change, in particular greenhouse gas emissions, these are described in section 2.4.3 *Gross Scopes 1, 2, 3 and total GHG emissions*. Arval has identified two negative impacts, one relating to the greenhouse gas emissions of the leased fleet, the other relating to the CO₂ emissions in the supply chain during the manufacture of the vehicles acquired by Arval.

With respect to physical risks related to climate change in the context of its own operations and the value chain upstream and downstream of its business, Arval has measured its exposure to climate change hazards, as described in the section 2.3.2 *Policies related to climate change mitigation and adaptation*. The way in which its assets and economic activities can be exposed to climate change has been studied, and two risks are identified: a physical risk related to the financial impact of asset losses and a physical risk related to disruptions in the supply chain, due to extreme weather events.

³⁶ *Delegated Regulation (EU) 2021/2178 of 06/07/21 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council with regard to clarifications on the content and presentation of the information to be disclosed by undertakings subject to Article 19a or Article 29a of Directive 2013/34/EU on their environmentally sustainable economic activities, and the method to be followed to comply with this obligation to inform.*

³⁷ <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32020R1818&from=FR>

In terms of transition opportunities and risks related to climate change, Arval has identified four opportunities in the context of its own operations and the value chain upstream and downstream of its activity. Arval has identified the hazards associated with climate change and assessed the exposure of its economic assets to transition risks. As such, three opportunities have been identified: cost reduction through the reduction of greenhouse gas emissions (scopes 1 and 2), the transition to electric mobility favoured by the regulatory environment, and the development of offers in terms of alternative mobility solutions. Finally, Arval notes a transition risk related to the residual value of vehicles.

In summary, the 8 IRO identified are presented in section 1.3.2 *Material impacts, risks and opportunities and their interaction with strategy and business model*.

2.3.2 Policies related to climate change mitigation and adaptation

Table 13: Summary of the corpus of climate policies applicable to Arval

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for implementing the policy	Interaction with stakeholders
Sustainable Sourcing Charter	The document presents the reciprocal ESG commitments made by the Group and its suppliers.	Entire Group	Group Head of Procurement & Performance	Distributed to the Group's suppliers and buyers Publication on the BNP Paribas website
IMEX Environmental and Energy Policy (internal document)	The document presents, in particular through the Green Building initiative, BNP Paribas' approach to the environmental management of the Group's premises (sustainable improvement of the environmental impact of operations, maintenance and management of premises works, etc.).	Entire Group	Head of Group Operating Real Estate (IMEX).	All real estate and CSR experts in France and abroad are involved to contribute to commitments across the Deploying plans actions to reduce the carbon impact of our Buildings. Service providers, landlords of rental addresses, as well as internal and external occupants are made aware of and involved in the success of this policy
BNP Paribas Group Travel Policy (internal document)	This document describes the rules to be followed by employees when managing their business travel, including encouraging them to reduce their environmental impact.	Entire Group	Group Head of Procurement & Performance (Purchasing Department)	Availability for all Group entities
Arval mobility policy for employees (internal document)	This document presents the rules applicable to the deployment of the mobility policy for employees, particularly in terms of energy transition.	Applies to all countries where Arval operates	Arval Human Resources	Deployment by the HR department in the countries and information for employees eligible for a vehicle
Arval Beyond strategic plan	<i>See below</i>			
Arval decarbonisation plan	<i>See below</i>			
Arval Resilience Analysis	<i>See below</i>			

Climate change mitigation

Table 14: Summary of levers and measures included in the following commercial-related climate change mitigation policies

	Lever	Measure	Arval Beyond Strategic Plan	Decarbonisation plan
			2026	2030
1	Fleet composition	Continuing the electrification of the fleet	●	●
		Controlling the average weight of new vehicles within each engine category		●
		Gradually increase the ownership period of assets at Arval		●
2	Sustainable use of vehicles	Reducing energy consumption through eco-driving	●	●
		Increasing Hybrid Vehicle (PHEV) Charging		●
3	Alternative mobility to the individual vehicle	Reducing the size of certain company fleets through car-sharing	●	●
		Convert journeys with carbon-based vehicles to active mobility such as bikes, public transport, etc.	●	●

Arval Beyond strategic plan

Since 2020, the Arval Beyond strategic plan has included a roadmap that includes environmental issues, including a reduction in tailpipe emissions based on theoretical emissions (WLTP), initially by 2025 and extended to 2026. The main levers are based on the composition of its fleet (in particular its electrification), the optimisation of use (in particular by using usage data to reduce energy consumption) as well as on new forms of mobility that enable diversification of user practices (car-sharing, mobility pass, bike leasing).

The plan relies on strategic collaborations and partnerships with innovative players in the mobility and renewable energy sector to strengthen its sustainable offers, including charging solutions, as well as soft mobility and multimodal travel supports.

Arval and its customers' commitment to electromobility is reflected in the share of electric vehicles ("BEVs") in Arval's leased fleet: this share has increased from less than 1% at the end of 2019, at the start of the Arval Beyond strategic plan, to 14% in 2024. Arval aims to reach 20% BEVs in its fleet by 2026, they already represent more than 22.6% of orders for new Arval vehicles in 2024. However, the reduction in the fleet's theoretical average tailpipe emissions at the end of 2024 proved to be less sustained than initially envisaged, leading Arval to revise its theoretical average emission intensity (WLTP) target to -30% in 2026 compared to January 2020. Despite the good momentum of electrification of passenger vehicles, the light commercial vehicle market, which represents nearly 17% of Arval's fleet, is experiencing a more moderate growth in electric powertrains. The market trend towards heavier vehicles, in all categories and engines, remains a factor slowing down the reduction in emissions.

Arval is also conducting initiatives to limit emissions related to repairs to the vehicles in its fleet, with 19% of body repair events carried out according to "SMART repairs" practices in 2024.

Decarbonisation plan

In 2024, this initiative was strengthened by the extension of its decarbonisation trajectory to 2030. The latter is based on the intensification of the emission reduction levers already defined in the framework of Arval Beyond, and is complemented by new levers to strengthen the transition to low-carbon mobility (ownership period, average vehicle weight), in a context of increasing regulatory requirements and new market expectations (for more details, see the *Strategy* section of *General disclosures*).

This plan, intrinsically linked to the identified impacts, risks and opportunities (IRO) for the climate, reflects a holistic approach to reducing emissions while capitalising on the regulatory and economic opportunities offered by the transition to low-carbon mobility solutions.

In terms of governance, the Arval Beyond strategic plan was launched by the Executive Committee and approved by the Board of Directors. The Executive Committee then ensures that it is properly executed. The strategic plan was communicated to the public when it was launched in 2020 and extended in early 2025. The sustainability ambition was published in 2024. These elements are available on Arval's website.

Policies in relation to Own operations

Arval has been committed to a methodological approach of continuous improvement since 2012 and recognizes the following hierarchy of principles of action against climate change:

- energy sobriety (adapting uses to reduce demand);
- energy efficiency (producing, transporting and using energy more efficiently);
- the use of low-carbon energy, and in particular renewable energies.

Arval has adopted policies defined by the Group related to the energy management of buildings or business travel, for example, which contribute to reducing the impact of Arval's operations.

In addition, to deliver on its commitment to reduce the environmental footprint of its direct operations, Arval relies on the internal Green Company for Employees programme, which accelerates the reduction of BNP Paribas' direct impact on the environment by giving a central place to the participation of all employees.

Finally, Arval has implemented the Sustainable Sourcing Charter³⁸ provided to all its suppliers and subcontractors to ensure that its environmental requirements and principles are respected, particularly with regard to greenhouse gas emissions. This initiative is a joint initiative with several French players in the Banking & Insurance sector who wish to involve their suppliers in the implementation of vigilance measures as part of their CSR initiatives.

Adaptation to climate change: resilience analysis

Asset resilience analysis

In addition to its mitigation efforts, Arval has set up a resilience analysis to assess and adapt its business model and strategy in the face of the physical risks associated with climate change. This analysis pertains to the physical risk associated to the financial impact of asset losses due to extreme weather events, and covers all mobility solutions, including fleet management, maintenance and repair services as well as financing solutions. Arval has identified the main physical risks (e.g. extreme weather events) and assessed the impact of climate change by capitalising on the data available (in particular the analysis of past claims and the IPCC scenario commonly used by insurance companies in Ireland) in its subsidiary Greenval, which specialises in insurance services, within the framework of the Insurance regulatory requirements issued by the Central Bank of Ireland.

³⁸ https://asset.mediahub.bnpparibas/is/content/bnpparibas/2023_PandP_Charte_Achats_Responsables_Fr

The main physical risks identified by Arval include the increase in the number of events such as hail and floods, the amplification of their scale and severity, as well as the extension of the areas concerned to territories previously excluded from this risk.

These risks relate to vehicles, primarily divided in two categories. The first category includes vehicles in stock, awaiting delivery, at the beginning or during the lease cycle, or awaiting disposal at the end of the cycle. These vehicles are located in an area designated for this purpose, either owned by Arval or a third party managing the fleet. The second category includes vehicles on the road, i.e. all vehicles rented to Arval customers, whether they are on the road or parked in the territories concerned.

The damages caused include:

- body and/or glass damage for hail events;
- damage to the entire vehicle (exterior, interior, mechanical and electronic) for flood events in particular;
- damage ranging from the deterioration of the body to the immobilization of the vehicle (broken windows), or even the impossibility of repairing it for financial or technical reasons.

The consequences of such damages are twofold. For Arval, they result into repair costs or total loss recognition costs as well as the need to set up a mass repair process in a short time. For Arval customers, they imply a deterioration in the general condition of their vehicle and a period of immobilization, which can potentially be long, from the event to the end of the repairs.

To mitigate these risks, Arval carried out a detailed analysis, based on an IPCC RCP 4.5 scenario,³⁹ which identified the share of the fleet affected by a physical risk as well as the potential financial impact of damage related to natural disasters (hail and flooding) by 2030 and 2050. This analysis was carried out by country and consisted of:

1. a projection of the number of insured vehicles in the short, medium and long term;
2. an estimate of the number of vehicles affected by these climatic events in the short, medium and long term;
3. a projection of the repair cost, taking into account both inflation and an additional factor of unit aggravation of the repair cost.

Asset resilience analysis results

The results of the analysis presented above have enabled to develop the adaptation plan to reduce the exposure of its activities to the risks associated with extreme weather events, thus ensuring the continuity of services for its customers. This plan is detailed in section 2.3.3 *Actions and resources in relation to climate change policies*.

Resilience analysis for Arval's sites

The sites where Arval is present are exposed to physical climatic risks. The intensity of risk exposure differs depending on the type of hazard and SSP scenarios⁴⁰ 2.6, 4.5 and 8.5, for 2030 and 2050 (risks considered: heat, drought, fire, flood, hail, coastal flooding).

The negative effects of hazards can lead to periodic unavailability of buildings (Arval sites) or staff. Arval does not consider any material financial exposure, as 99% of its sites are leased. Thus, the challenge of adapting to climate risk is essentially about the protection of employees and the continuation of operations.

³⁹ Representative Concentration Pathways are greenhouse gas emission scenarios used by the IPCC (Intergovernmental Panel on Climate Change) to model and predict the future impacts of climate change. Scenario 4.5 represents a future where moderate emission reduction policies are put in place, leading to a stabilization of greenhouse gas concentrations in the atmosphere by 2100.

⁴⁰ SSPs (Shared Socioeconomic Pathways) are socio-economic scenarios used by the IPCC to model the future impacts of climate change. They describe different global development trajectories based on various socio-economic factors, such as economic growth, demographics, urbanization, and resource use.

The risks corresponding to the safety of people and sites were assessed in 2024. Arval, following BNP Paribas' guidelines, has deployed a business continuity procedure that aims, among other things, to limit the negative impact of hazards related to physical risks.

2.3.3 Actions and resources in relation to climate change policies

Actions related to emissions from commercial activities

Actions related to the Arval Beyond strategic plan and the decarbonisation plan

Arval structures its support towards low-carbon mobility around three main levers: the composition of the fleet, the sustainable use of vehicles and alternative mobility to the individual vehicle. These levers, at the heart of the Arval Beyond strategic plan and the greenhouse gas emissions trajectory by 2030, include the electrification of fleets, the reduction of the average weight of vehicles and the extension of their ownership period, thus contributing to emission reduction targets.

The switch to electromobility creates a change in users' driving practices, including the consideration of battery range. The rapid evolution of technologies and the geographical availability of the charging infrastructure remain obstacles to be overcome.

To support its customers in their transition, Arval offers services to facilitate the adoption of electric mobility: strategic advice, charging solutions (home, work, public) and services for a seamless electromobility experience. At the same time, the company promotes more sustainable mobility practices through multimodal options and a flexible mobility budget, meeting the diverse needs of users.

Arval carries out actions related to the maintenance of its vehicles in operation through the promotion of the practice of "SMART repairs" favouring the repair over the replacement of body parts and the minimisation of surfaces to be repainted.

Beyond its commercial activity, Arval supports innovative initiatives, such as its participation in the Shift4Good fund⁴¹, dedicated to the decarbonisation of transport, and its membership of SmartEN⁴² to promote synergies between mobility and clean energy. The Arval Energy initiative exemplifies this ambition by exploring solutions such as *vehicle-to-grid*, allowing electric vehicles to feed renewable energy back into the grid, reducing the carbon footprint of mobility and energy consumption.

By working with an ecosystem of stakeholders – manufacturers, energy companies, regulators and customers – Arval is committed to measuring and reducing its scope 3 emissions, reaffirming a leading role in the transition to more sustainable mobility.

⁴¹ Investment fund focused on the sustainability of the Transportation sector.

⁴² Smart Energy Europe (SmartEN) is a European association of companies committed to promoting sustainable energy solutions.

The actions undertaken in relation to the Arval Beyond strategic plan and the decarbonisation plan are summarised in the table below before being described in more detail afterwards:

Table 15: Actions undertaken in relation to the Arval Beyond strategic plan and the decarbonisation plan

Lever	Key actions	Scope (value chain)	Time frame	Details
Fleet composition	Extensive offer of electric vehicles	<ul style="list-style-type: none"> • Downstream value chain • B2B and B2C markets 	Short-term	<ul style="list-style-type: none"> • Offering a growing range of models of all brands and ranges • Collaboration with car manufacturers to integrate the latest electric models
	Leasing solutions adapted to electric vehicles	<ul style="list-style-type: none"> • Downstream value chain • B2B and B2C markets 	Short-term	<ul style="list-style-type: none"> • Encourage customers to go electric • Offer flexible options to encourage testing electromobility
	Charging infrastructure	<ul style="list-style-type: none"> • Downstream value chain • The entire fleet of electrified vehicles 	Short-term	<ul style="list-style-type: none"> • Helping customers install charging stations in their businesses or at home, facilitating the management of public charging
	Controlling the average vehicle weight	<ul style="list-style-type: none"> • Downstream value chain • Entire fleet of vehicles 	Medium/long term	<ul style="list-style-type: none"> • Advise customers on the most suitable vehicle size for real uses, and propose relevant alternatives • Monitor regulatory and tax developments related to weight and inform customers • Follow the technological developments of lower-weight batteries for consistent efficiency, encourage their adoption
	Increased vehicle ownership period	<ul style="list-style-type: none"> • Downstream value chain • Entire fleet of vehicles 	Medium/long term	<ul style="list-style-type: none"> • Offer longer contract terms, with lower rent compared to shorter term • Promote the development of used vehicles leasing and the management of several lease contracts for the same vehicle
Sustainable use of vehicles	Real-time control of driving data	<ul style="list-style-type: none"> • Downstream value chain • B2B market 	Short-term	<ul style="list-style-type: none"> • Track fuel consumption, braking behaviours and other driving parameters that influence emissions
	Custom Reports	<ul style="list-style-type: none"> • Downstream value chain • B2B market 	Short-term	<ul style="list-style-type: none"> • Produce detailed reports on driver performance with recommendations to improve driving sobriety
		<ul style="list-style-type: none"> • Downstream value chain 	Short-term	<ul style="list-style-type: none"> • Raise awareness and guide users towards a smoother and more economical driving experience

Lever	Key actions	Scope (value chain)	Time frame	Details
Alternative mobility to individual vehicles	Eco-driving training and coaching	• B2B market		
	Journey tracking	• Downstream value chain • B2B market	Short-term	• Optimize routes to avoid traffic jams
	Pro-active maintenance	• Downstream value chain • B2B and B2C markets	Short-term	• Monitor vehicle wear and tear in real time
	Vehicle Sharing	• Downstream value chain • B2B market	Short-term	• Access a vehicle only when the user needs it
	Soft mobility	• Downstream value chain • B2B market	Short-term	• Offer electric and mechanical bike leasing
	Public Transports	• Downstream value chain • B2B market	Short-term	• Offering public transport as part of the mobility offer for companies via the Mobility Pass

The actions implemented within the framework of the three levers identified in the table above are specified below:

1st lever: Composition of the fleet

The composition of the fleet is the first lever of Arval's decarbonisation strategy, which is mainly focused on **the gradual electrification of vehicles**. Arval has reached a fleet of 253,373 electric vehicles (BEVs) in 2024, as part of the Arval Beyond strategic plan, in line with the CO₂ emission reduction targets set for 2030, described in section 2.4.1 *Targets related to climate change mitigation and adaptation* below.

To meet the diverse needs of its customers, Arval offers a **wide range of electric and plug-in hybrid vehicles**, in collaboration with manufacturers to integrate the latest models available.

Long-term rental, supported by a TCO (Total Cost of Ownership) approach corresponding to the total cost of a good or service throughout its life cycle, makes it possible to offset the costs related to the adoption of less emissive vehicles, while promoting savings on maintenance, fuel and taxation.

In terms of consulting, Arval relies on its **Arval Consulting** team, a team of experts specialised in supporting companies to optimize the management of their fleet and accelerate their transition to sustainable mobility solutions. **Arval Consulting** helps organisations reduce their costs, while integrating the environmental and regulatory issues related to mobility. To achieve this, Arval Consulting relies on the **STAR methodology** (Strategic Transformation through Actionable Recommendations), which offers a framework structured in five steps (Ambition, Exploration, Design, Deployment and Measurement) to deliver advice on the main challenges of the sector, including the electrification of fleets, the diversification of mobility solutions as well as the optimisation of costs and the improvement of internal processes and policies. As part of the Arval Beyond strategic plan, Arval carried out 7,800 Consulting days to its customers between 2020 and 2024⁴³.

Arval also supports electrification with **charging infrastructure solutions** adapted to each local context and educational campaigns promoting the testing of electric vehicles.

To enable the development of electric vehicle leasing, it is also important to support the development of the second-hand market. Indeed, the maturity of the latter directly influences the resale value of vehicles at the end of the lease contract, which in turn contributes to defining the residual value set at the beginning of the contract and therefore the rentals of the vehicles offered to lessees. Rental value is a key decision-making criterion in the choice of vehicles, so the second-hand market has a strong influence on the development of electric vehicles.

The latter are still often considered too expensive for potential buyers, and support for tax policies is not always available in a second-hand market for electric vehicles that is still immature in most of the countries where Arval operates.

Arval is contributing to the development of this market in terms of electrification, by reassuring buyers about the performance of the batteries after several years of use. It thus removes one of the obstacles to their adoption. Arval is the first rental company to systematically offer a **certificate of battery health when reselling electric vehicles**, which helps to create confidence in the second-hand market. To do this, it has established partnerships with companies that specialize in battery diagnostics and certification, such as Moba.

In 2024, Arval sold more than 400,000 used vehicles. To mitigate the risks associated with the residual values of vehicles in a context of technological and regulatory developments, Arval also applies a policy of diversifying the car models and brands it offers (as of 31 December 2024, the most represented manufacturer contributes less than 25% of Arval's fleet), continuously monitors the market price of used cars, regularly adjusts its residual value calculation model to market developments and extends

⁴³ Any mission that contributes to decarbonising corporate customers' mobility.

vehicle ownership periods. The diversification of used vehicles resale channels is also an important area of risk minimisation.

In addition to electrification, Arval is focusing on managing **the weight of vehicles and extending their ownership period**. These strategies reduce Arval's carbon footprint related to the manufacture and use of vehicles, maximizing the amortisation of environmental impacts, particularly for electric vehicles. The implementation of incoming vehicle weight management aims to gradually diversify the vehicle model mix in terms of weight, in order to reduce the average weight of the fleet by 2030. This projection is carried out in anticipation of regulatory and technological developments (in particular the reduction in the weight of solid-state batteries), and is based on advice to customers in the choice of vehicles, including costs, CO₂ and weight.

In 2024, Arval invested €4,397 million in the acquisition of electrified vehicles aligned with the European Taxonomy. At the same time, Arval has implemented an investment plan in fleet optimisation solutions (for amounts that are not material compared to the consolidated financial aggregates).

Efforts to adopt electric mobility, both in the new and used vehicle market, are interlinked in creating the conditions for the energy transition for all customer segments.

2nd lever: Sustainable use of vehicles

As part of the Arval Beyond strategic plan, the sustainable use of the vehicle is a key lever for optimising the fleet's energy consumption and reducing the carbon footprint of vehicles. Arval has deployed a **telematics solution, Arval Connect**, for companies of all sizes and adapted to the specificities of each country. This global offering supports the identification of opportunities for the transition to electric. It promotes more environmentally friendly driving and provides personalised recommendations to reduce fuel consumption and CO₂ emissions via real-time monitoring of driving data (consumption, braking, acceleration).

At the same time, Arval offers eco-driving **training and coaching** with a potential reduction of up to 20%⁴⁴ in fuel consumption. In addition, pro-active vehicle maintenance, facilitated by telematics, limits excessive consumption and unnecessary emissions.

Arval supports its customers in the proper use of plug-in hybrid vehicles (PHEVs), whose under-use of electrical capacity leads to significant overconsumption of fuel and related emissions. This includes the implementation of telematic indicators allowing fleet managers to manage the level of charging.

The charging offer includes **electric charging cards, automatic reimbursements** for home charging and mobile applications to locate charging points, making the electric transition more accessible. Arval also offers flexible leasing options, such as 3 to 6-month electric vehicle trials or temporary access to a combustion vehicle for long trips, promoting a gradual and sustainable adoption of electric vehicles.

Arval has implemented an investment plan in digital solutions to improve driving behaviour (for amounts that are not material compared to the consolidated financial aggregates).

3rd lever: Alternative mobility to individual vehicles

To reduce emissions, Arval encourages alternative mobility practices:

Car sharing: Arval Car Sharing optimises fleet utilisation with a digitalised solution, reducing the required fleet and its associated costs by up to 20%. This solution, which is mainly aimed at multinationals, large national companies and public sector companies, is deployed in the majority of European countries where Arval ⁴⁵ operates.

⁴⁴ Average improvement between the lowest and highest possible scores, according to an internal study on the actual consumption of a sample of 18,600 vehicles.

⁴⁵ Countries where the solution is active (registered users): France, Italy, Spain, United Kingdom, Austria, Belgium, Germany, Netherlands, Switzerland, Czech Republic, Poland, Slovakia, Sweden and Turkey.

Active mobility: For short distances or urban journeys, solutions such as electric or mechanical bike leasing reduce dependence on motor vehicles and make it possible to convert journeys made with emissive vehicles into low-carbon journeys.

Arval Mobility Pass: this payment card allows employees to use the mobility budget allocated by their employer for their daily journeys. They have access to a wide range of sustainable means of transport that help reduce the carbon footprint. This solution is already deployed in France, Spain, the Netherlands and Brazil.

Arval has implemented an investment plan in these digital solutions (for amounts that are not material compared to the consolidated financial aggregates).

Actions relating to own operations emissions

Arval is taking action to reduce its direct environmental impacts, with the aim of being consistent with its commitments in its long-term leasing activities, setting an example and raising awareness among its employees.

Arval has been measuring its energy consumption and greenhouse gas emissions in its operational scope (scopes 1, 2 and 3 for business travel) since 2012. It is gradually reducing them, by reducing energy consumption for its premises, using less energy-consuming IT equipment and supervising business travel, as well as by developing the use of low-carbon energy.

In addition, Arval has rolled out a new employee mobility policy in 2023, aiming for 100% electric vehicle orders by 2025 at the latest for the fleet used by its own employees⁴⁶. The internal fleet (all countries excluding Latin America, Morocco and Turkey) reached 96% of electric vehicle (BEV) renewal in 2024, and 57% within its fleet of on-road vehicles.

In 2024, total energy consumption was 37.3 GWh⁴⁷.

In 2024, electricity from nuclear sources accounted for 26.1% of Arval's total electricity consumption. The share of renewable electricity accounted for 43.7%. This electricity comes either from the purchase of renewable electricity certificates, known as "Power Purchase Agreements" ("PPAs"), or from the direct consumption of renewable energy produced by the Group's buildings. Renewable energy consumption was 34.4% of the total energy consumed. This share of renewable energy reflects the Group's voluntary actions adopted by Arval, and could be increased by considering the share of renewable energy specific to each national energy production (approximately 10% of the energy consumed).

These measures make it possible to limit the CO₂ emissions associated with the Group's electricity consumption, a reduction accounted for in the *market-based*⁴⁸ approach. For Arval, these amounted to 12,444 tCO₂ in 2024, a reduction of 3,513 tCO₂ over the year, compared to the *location-based calculation*.

BNP Paribas Real Estate Operations (IMEX) function, through the Green Building programme, coordinates in France and abroad a process to improve the operation of sites, including those of Arval, in order to sustainably reduce the Group's environmental impact.

Thus, the plan to reduce the carbon footprint of the building portfolio in France is broken down into three levers:

- the continuous improvement of the energy performance of buildings via a monitoring tool that centralises the energy consumption data of 90% of the portfolio;

⁴⁶ Arval fleet leased for the benefit of its employees and at the expense of Arval, worldwide excluding Latin America, Morocco & Turkey

⁴⁷ Gigawatt hour.

⁴⁸ Location-based method: This approach uses the average emission factor of the region or country where the electricity is consumed. For example, if the electricity consumption is in France, the company can use the emissions intensity of the French energy mix, which is mainly nuclear.

Market-based method: this approach reflects the greenhouse gas emissions of the electricity that the company has chosen on the market. This means that scope 2 greenhouse gas emissions will depend on the scope 1 carbon intensity of the electricity provider.

- works and investment plans to modernise and improve the efficiency of installations (heat pumps, LED lighting, façade insulation, roof repairs, etc.);
- raising awareness among employees on a daily basis, adapted to the uses of buildings (offices, bank branches, data centres).

The Sustainable Digital programme has defined ten principles related to the Group's IT Charter, applying to the entire IT sector worldwide.

Different levers are used:

- implementing a methodology for calculating the environmental footprint of the information system according to the latest international standards in force;
- rationalising the equipment (data centre infrastructure and employee tools) aimed at energy efficiency and the use of low-carbon energies on the one hand, and sobriety on the other hand through the pooling of equipment and infrastructure;
- raising awareness and training IT teams on environmental issues.

Actions related to adaptation to climate change

To reduce the exposure of Arval's activities to the risks associated with extreme weather events and to ensure the continuity of services for its customers, Arval's adaptation plan for its vehicles is drawn up and revised annually in the light of regulatory changes and historical risks, and consists of the following actions:

- improved protection of insured vehicle stock in high-risk areas;
- the management of a risk indicator for vehicles in stock that are not physically covered;
- the generalization of a weather alert procedure for drivers;
- the inclusion in road risk prevention campaigns of rewards for parking vehicles in secure areas;
- the search for alternatives in terms of reinsurance policies for natural disasters;
- the adaptation of the damage cover of the vehicle insurance policy, to reflect the increase in the risk of natural disasters.

In addition, the business continuity procedure is applicable to each site where Arval is present and is formalized in a Business Continuity Plan ("BCP").

The BCP takes into account acute climatic events that are integrated into the assessment of the unavailability of employees and buildings. The BCP determines an action corresponding to the impact: working from home of employees, temporary transfer of employees to another site, temporary transfer of the activity to another site, or other measures if deemed necessary.

Transition resources

In addition to the tools and product and service developments that enable it to steer its climate trajectory and support its customers' transition, Arval relies on a set of dedicated teams to lead the transition and accelerate the integration of climate change across all its activities:

Arval's Sustainability Office, which includes the teams in charge of ESG topics, is responsible for implementing Arval's sustainability strategy. Relying on its climate-related experts and also on BNP Paribas' CSR teams, it supports the business lines and contributes to the management of ESG risks in connection with the RISK function. It is also in charge of communicating CSR progress with Arval's Communications Department, and of dialogue with key stakeholders.

The Sustainability Office, which operates globally, facilitates the deployment of Arval's sustainability strategy and associated policies in the countries where Arval operates. **The CSR department** has more than ten full-time Arval employees working on ESG issues, the majority operating in a subset of the

most significant countries in terms of emissions, as well as a network of employees who act as relays in smaller entities and in the various functions (RISK, Finance, Procurement, etc.).

The Sustainability Academy, launched at the end of 2022, is an evolving platform for training BNP Paribas employees, including Arval's, in the challenges of the ecological transition and climate change, and strengthening their skills in this area. More than 2037 employees have taken at least one training course since its creation.

To reduce the environmental footprint of its own operations, Arval is implementing BNP Paribas' measures, in particular through the Procurement & Performance function, which is responsible for managing responsible purchasing and resource optimisation, as well as the Green Company for Employees programme. The latter aims to limit the direct impacts of internal activities by involving all employees. Thus, actions such as optimising the energy consumption of buildings or managing business travel contribute to reducing the environmental impact of Arval's operations.

2.4 Metrics and targets

2.4.1 Targets related to climate change mitigation and adaptation

Targets for climate change mitigation and adaptation are detailed in the 2.2.1 *Transition plan for climate change mitigation*.

2.4.2 Energy consumption and mix

Arval presents below its energy consumption for its own activities as well as the associated energy mix.

Table 16: Energy consumption and energy mix

Energy consumption and energy mix	2024
(1) Fuel consumption from coal and coal-based products (MWh)	NA ⁴⁹
(2) Fuel consumption from crude oil and petroleum products (MWh)	NA
(3) Fuel consumption from natural gas (MWh)	NA
(4) Fuel consumption from other fossil sources (MWh)	NA
(5) Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (in MWh)	NA
(6) Total fossil energy consumption (in MWh) (calculated as the sum of rows 1 to 5)	16,826
Share of fossil sources in total energy consumption (%)	45.1%
(7) Consumption from nuclear sources (MWh)	7,608
Share of consumption from nuclear sources in total energy consumption (%)	20.4%
(8) Fuel consumption from renewable sources, including biomass (also including bio-based industrial and municipal waste, biogas, renewable hydrogen, etc.) (MWh)	NA
(9) Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (in MWh)	12,696
(10) Consumption of self-generated non-combustible renewable energy (MWh)	143,54
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	12,840
Share of renewable sources in total energy consumption (%)	34.4%
Total energy consumption (in MWh) (calculated as the sum of lines 6 and 11)	37,273

⁴⁹ Details by fossil source are not available.

2.4.3 Gross scopes 1&2, 3 and total GHG emissions

Methodology

Scopes 1&2 and 3 for the business travel category

The calculation of scopes 1&2 is carried out for BNP Paribas as a whole and communicated to Arval for its operational scope.

The data required to calculate the indicators related to Arval's own operations are collected annually on a perimeter made up of Arval's main territories (13 in 2024) in terms of employee headcount (i.e. 79.9% of Arval's total workforce). An extrapolation then covers the rest of BNP Paribas' environmental data for countries not participating in the reporting. The period taken into account for the data collected covers 12 months from October (N-1) to September (N). The number of FTEs is the number officially set by HR Group as of 31 December of the related year.

In 2024, the Group reviewed the methodology for allocating energy consumption between its entities. For Arval, this revision has led to an increase in the indicators of gross emissions and tCO₂ intensity per FTE between 2023 and 2024. Using an equivalent methodology, Arval's emissions from its own operations are estimated to be stable⁵⁰ (+0.1%) in gross terms and slightly down in intensity (-1.7%). The measurement of the equivalent CO₂ emissions of BNP Paribas' operational scope is based on the reference methodology of the GHG protocol. The energy consumed (electricity, gas, oil, district heating) in the buildings occupied by the Group as well as the energy consumed in the means of transport used by employees for their business trips (excluding home-work travel), by car, train or plane are taken into account. Only the combustion of fossil fuels is taken into account, the extraction and transport of fuels are excluded from this calculation.

Through its activities, the Group is not a significant source of noise pollution or any other specific industrial pollution.

Scope 3

To calculate scope 3 greenhouse gas emissions, Arval uses the methods presented in the table below:

Note: The categories described as non-significant below were assessed on the basis of an estimate. The sum of the non-significant categories does not exceed 3% of total scope 3 emissions.

Table 17: Methods for calculating scope 3 greenhouse gas emissions

Source of scope 3 emissions	Detailed calculation method for tCO ₂ emissions
1. Goods and Services Purchased	Category not significant.
2. Capital goods	For Arval, this category covers the purchase of vehicles leased to customers. Emissions are estimated based on life cycle assessment data obtained from public sources and deemed reliable sources (e.g. Green NCAP) when real emissions data from suppliers are not available.
3. Activities in the fuel and energy sectors (not included in scopes 1 and 2)	Category not significant.
4. Upstream Transmission and Distribution	Category not significant.
5. Waste generated during operation	Category not significant.

⁵⁰ According to the location-based method.

Source of scope 3 emissions	Detailed calculation method for tCO ₂ emissions
6. Business travel	<p>For Arval, this category covers business trips by plane, train, vehicles not owned by Arval.</p> <p>Emissions are calculated by using mileage data from the business travel and expense reimbursement systems, and applying appropriate emission factors.</p>
7. Employee commuting	Category not significant.
8. Upstream leased assets	Category not applicable.
9. Downstream transmission and distribution	Category not significant.
10. Processing of the products sold	Category not significant.
11. Use of Sold Products	<p>For Arval, this category covers emissions associated with the use-to-end-of-life phase of vehicles that Arval sold in the year of publication, including direct emissions from fuel combustion, indirect emissions from electricity generation⁵¹ and upstream energy-related (well-to-wheel) emissions. In the absence of energy consumption or mileage data once the vehicle has been sold, emissions are estimated on the basis of a total mileage assumption over the lifetime of the vehicle of 200,000 km, from which the mileage completed before resale is deducted. Data to which the WLTP registration emission factor is applied. To approximate the real emission values, the WLTP values are restated using the average deviation ratio published by the European Environment Agency.</p>
12. End-of-life treatment of products sold	Category not significant.
13. Downstream leased assets	<p>For Arval, this category covers emissions associated with the use phase of vehicles leased by customers during the year, including direct emissions from fuel combustion and indirect emissions from electricity generation⁵¹ and upstream emissions related to energy (well-to-wheel). Where available and usable, energy consumption information is used with the corresponding Emission Factors</p> <p>Otherwise, in order to approximate the real emission values, the standardised WLTP registration emission factor (conversion of NEDC values into WLTP equivalent) is applied to the mileage data. The WLTP values obtained in this way are then restated using the average deviation ratio published by the European Environment Agency.</p>
14. Franchises	Category not significant.
15. Investments	Category not significant.

⁵¹ Location-based emissions.

Table 18: Summary of Arval's gross scope 1, 2, 3 greenhouse gas emissions and total emissions

Summary of Arval's gross scope 1, 2, 3 GHG emissions and total emissions	Retrospective data	
	2019	N=2024
Scope 1 GHG emissions		
Gross GHG Scope 1 Emissions (tCO ₂)	- ⁵²	1,123
Percentage of scope 1 GHG emissions from regulated emissions trading systems (%)		
Scope 2 GHG emissions		
Gross GHG emissions scope 2 based on location (tCO ₂)	-	5,687
Market-based gross scope 2 GHG emissions (tCO ₂)	-	2,151
Scope 3 GHG emissions	16,014,013	23,303,721
1. Goods and Services Purchased	-	-
[Optional Subcategory: Cloud and Data Centre Services]	-	-
2. Capital goods	4,049,456	5,387,015
3. Activities in the Fuel Sectors and energy (not included in scopes 1 and 2)	-	-
4. Upstream Transmission and Distribution	-	-
5. Waste generated during operation	-	-
6. Business travel	4,953	5,634
7. Employee commuting	-	-
8. Upstream leased assets	-	-
9. Downstream Routing	-	-
10. Processing of the products sold	-	-
11. Use of Sold Products	5,229,370	9,645,643
12. End-of-life treatment of products sold	-	-
13. Downstream leased assets	6,730,234	8,265,429
14. Franchises	-	-
15. Investments	-	-
Total GHG emissions		
Total GHG emissions (location-based) (tCO ₂)	16,014,013	23,310,531
Total GHG emissions (market-based) (tCO ₂)	16,014,013	23,307,018

Gross scope 1 and 2 emissions are the subject of a 2025 target that has not yet been established for 2030 and could not be quantified over this time horizon.

Gross scope 3 greenhouse gas emissions for the categories included in the decarbonisation plan target (categories 11 and 13 in the table above) are estimated at 13,865,983 tCO₂ in 2030, an increase of 15.9% compared to 2019 due to the growth of the vehicle fleet. In these two categories, the change in intensity per kilometre is -35% over the same period.

Note: The emission estimates for the scope of its fleet of vehicles financed above (categories 11 and 13) are obtained by applying the methodology described above to all of its passenger cars or light commercial vehicles in the countries where Arval operates, with the exception of Arval Flex's medium-term rental business in France, Italy, Spain and the United Kingdom. This represents an exclusion perimeter of less than 2% of Arval's financed fleet and will be integrated at a later date.

⁵² Due to the change in methodology on scopes 1 and 2 mentioned in the Methodology section earlier in this section, the 2019 values are not carried forward.

Table 19: Presentation of greenhouse gas intensity in relation to net revenue

GHG intensity per net revenue	2024
Total GHG emissions (<i>location-based</i>) per net revenue (in tCO ₂ / million euros)	843,78
Total GHG emissions (<i>market-based</i>) per net revenue (in tCO ₂ / million euros)	843,91

Note: Net revenue is defined as sales as presented in the Application of the European Taxonomy to Arval's activities hereafter.

2.4.4 GHG removals and GHG mitigation projects financed through carbon credits

Arval does not carry out greenhouse gas removal projects through carbon credits.

2.4.5 Internal carbon pricing

Arval does not use an internal carbon price.

3 Pollution

Transport has a major impact on air quality, particularly because of nitrogen oxide (NOx) and fine particle emissions, especially with diesel engines. In 2009, about half of the NOx emissions came from the transportation sector,⁵³ leading to potential public health problems. To reduce global emissions (greenhouse gases and pollutants), one of Arval's strategic hypotheses is based on the electrification of vehicles, which is the best technical solution for individual mobility in the short and medium term. In practice, battery-powered electric vehicles do not emit CO₂ or NOx during use, and pollutant emissions are mainly limited to brake and tyre wear.

3.1 Impacts, risks and opportunities management

3.1.1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Arval's business consists mainly of leasing vehicles, a significant part of which is still on the road and is still made up of internal combustion engine vehicles. Emissions of Volatile Organic Compounds ("VOCs"), which come mainly from hydrocarbons and their chemical derivatives, are a subject of attention because of their harmful effect on health. Air pollution linked to Arval's activities primarily manifests as a negative impact in its downstream value chain.

Table 20: Pollution-related IRO

Category	Description	Policies	Actions	Metrics and targets
Impact	<p><i>(Negative impact)</i> Pollution from the use of the vehicle fleet: driving vehicles with combustion engines, biofuels and hybrids generates air pollution other than greenhouse gases (NO_x, fine particles, VOCs, CO). This pollution has an impact on people's health. The production of non-renewable energy to charge battery electric vehicles (BEVs) and plug-in hybrids (PHEVs) also generates air pollution. The use of brakes releases particles that are dangerous to health. Tyre abrasion releases microplastics that pose a significant threat to wildlife and accumulate in the food chain. In addition, engines and tyres emit noise, the acceptable levels of which are regulated.</p>	<p>Arval Beyond strategic plan</p> <p>Decarbonisation plan</p>	<p>Support for the transition to lower-emission vehicles</p> <ul style="list-style-type: none"> • Extensive offer of electric vehicles • Facilitate access to charging infrastructure • Control the average vehicle weight <p>Optimisation of use to reduce emissions</p> <ul style="list-style-type: none"> • Real-time management of driving data and personalized reports on vehicle usage • Eco-driving training • Route optimisation solutions <p>Proactive maintenance to keep the vehicle in good operating conditions</p> <p>SMART Repair</p>	<p>See Climate Change Mitigation and Adaptation Targets</p> <p>22% of yearly SMART repairs⁵⁴ out of total body repair events worldwide by 2026</p>

⁵³ International Energy Agency – IEA, *Tracking Transport*.

⁵⁴Small to Medium Area Repair Technology ("SMART"): the use of specialist tools and products to repair damages such as dents and cracks. Avoids the need to replace or repaint an entire panel or component.

3.1.2 Policies related to pollution

Due to its activity in the mobility and vehicle leasing sector, Arval is subject to environmental regulations aimed at limiting the impacts of air pollution. As such, Arval is in line with the Euro 6 and Euro 7 standards, which set strict emission thresholds for vehicles, as well as the European Directive 2015/2193, which regulates the emission of certain pollutants into the atmosphere.

Euro 6 and Euro 7 regulations

In Europe, emissions are regulated by the European Union ("EU"). Euro 6 emission levels are currently in force for all passenger cars and light commercial vehicles, implying additional technologies for manufacturers compared to the previous Euro 5 standards. Additional requirements of the Euro 6 standard have been developed by the EU, and are in force for all new passenger cars and light commercial vehicles. In addition to the Globally Harmonized Light Vehicle Test Procedure (WLTP), the new Real Driving Emission Test Procedure ("RDE"), to directly assess regulated emissions from light-duty vehicles under conditions closer to their actual use, is in force. Stricter RDE testing requirements, as well as requirements for the on-board fuel and/or energy consumption monitoring device have been in force for all new passenger cars registered after 1 January 2021 and all new light commercial vehicles registered after 1 January 2022.

A new Euro 7 regulation was approved at the end of 2024 and should apply from the end of 2026. The main requirements of the new Euro 7 regulation will be the introduction of limits for brake particles and tyre abrasion, as well as stricter requirements for battery durability or the implementation of a Vehicle Environmental Passport ("EVP"), facilitating access to pollutant emissions data, among other things.

European Directive (EU) 2015/2193 of 25 November 2015

This directive regulates emissions from medium-sized combustion plants. It sets emission limit values for sulphur dioxide (SO₂), nitrogen oxide (NO_x) and dust into the atmosphere from combustion plants with a rated thermal input of 1 MW or more and less than 50 MW, regardless of the type of fuel they use.

In addition, it introduces rules to monitor carbon monoxide ("CO") emissions. Car manufacturers must implement emissions monitoring, as required by Annex III to that Directive, including periodic measurements. CO measurements are required for all installations.

In addition to complying with regulations, in line with its 2030 trajectory presented in section 2.2.1 *Transition plan for climate change mitigation* for greenhouse gas emissions, Arval is taking a proactive approach to reducing the environmental impacts of air pollution across its entire value chain. In addition to its commitment to decarbonisation, the company relies on specific initiatives described below, aimed at limiting pollution not related to greenhouse gas emissions. This approach is designed to ensure sustainable and responsible management of its operations, taking into account environmental and societal impacts.

Key levers include:

- **Fleet composition:** reduction of air pollutants from the use of vehicles, in line with the measures of the regulations and directives mentioned above, renewal of the fleet, by investing in less polluting vehicles, gradual replacement of internal combustion vehicles by hybrid or electric models.
- **Sustainable use of vehicles:** raising awareness among customers and drivers about eco-driving to reduce fuel consumption and NO_x emissions, but also through the adoption of behaviours that minimise pollution linked to brake and tyre wear. Similarly, Arval makes sure to raise awareness among customers about the environmental impact of their practices and to encourage the leasing of less polluting vehicles. Regular maintenance by servicing vehicles to ensure that they are operating optimally and emitting less NO_x, and by ensuring the installation of NO_x reduction devices (equipping vehicles with Selective Catalytic Reduction ("SCR") systems or particulate filters).

- **Considering the use of alternative fuels** by encouraging the use of less polluting fuels, such as compressed natural gas ("CNG") or biofuels.

Compliance with regulations and the approach established by Arval enable to cover its entire value chain:

- **External operations:** A large proportion of garages and maintenance centres apply strict standards for reducing air pollutant emissions.
- **Suppliers:** Car manufacturers are encouraged to comply with environmental standards, particularly in the management of chemical substances and vehicles production.
- **Leased fleets:** Leased fleets are tracked to reduce polluting impacts, through the adoption of clean technologies and customer awareness of eco-driving practices.

Pollution management is directly linked to the negative impact identified by Arval:

- **Air pollution** from internal combustion engines in the fleet, mainly due to NO_x and fine particle emissions.

In terms of governance, as detailed in section 1.1 *Governance*, the Sustainability Steering Committee oversees the objectives related to CSR indicators, allowing CSR issues to be integrated into the different committees, functions and countries.

In their relationships with Arval, garages are informed of the expectations for more responsible repairs, and drivers are called upon for proactive maintenance.

3.1.3 Actions and resources related to pollution policies

As mentioned in the *Climate change* section, the decarbonisation trajectory by 2030 is based on three levers, namely: fleet composition, vehicle use and new mobility. In addition to addressing the issues related to climate change on the reduction of greenhouse gases, these actions contribute to reduce air pollution (see 2.3.3 *Actions and resources related to climate change policies*).

1st lever: Fleet composition

Arval is activating two levers of action to optimise the composition of its fleet:

Fleet electrification: Fleet electrification reduces emissions of air pollutants related to internal combustion engines, such as NO_x, CO, VOCs and fine particulate matter, improving air quality and public health, especially in urban areas. While the generation of electricity to charge electric vehicles can still lead to pollution, especially if it relies on non-renewable sources, this transition facilitates the integration of renewable energy in the long term, reducing the overall carbon footprint of vehicles. In addition, electric vehicles generate less noise than combustion engines, contributing to a better quality of life in high population density areas.

Vehicle weight management: reducing the weight of vehicles put on the road reduces their energy consumption, whether thermal or electric, which reduces greenhouse gas emissions and pollutants such as NO_x and fine particles, particularly for combustion engines. Lighter vehicles also generate less wear on tyres and brakes, limiting the release of microplastics and fine particles, two pollutants that are harmful to human health and ecosystems. In addition, the reduction in the weight of vehicles leads to a lower consumption of raw materials, thus reducing the pollution associated with the extraction and processing of these resources.

These actions collectively contribute to a significant reduction in air pollution, whether by reducing greenhouse gas emissions, air pollutants, microplastics, or by optimizing resource consumption.

2nd lever: Use of the vehicle

The second lever for action is to improve the use of the fleet to promote the adoption of sustainable driving behaviour that reduces energy consumption and related emissions.

Increased use of electric vehicles (BEVs): Increasing the use of BEVs reduces emissions of air pollutants, such as nitrogen oxides (NO_x), carbon monoxide (CO), volatile organic compounds (VOCs) and fine particulate matter (PM), associated with internal combustion engines. This transition to zero-emission tailpipe vehicles improves air quality, especially in urban areas, and reduces the impact on public health. In addition, when BEVs are charged with electricity from renewable sources, they contribute significantly to the reduction of greenhouse gas (GHG) emissions, thus decreasing the carbon footprint of the fleet. Compared to the use of fossil fuels for internal combustion vehicles, renewable electricity promotes decarbonisation over the entire life cycle of vehicles.

Proper and frequent charging of plug-in hybrid vehicles (PHEVs): Ensuring frequent charging of plug-in hybrid vehicles (PHEVs) for all drivers maximizes their use in electric mode, thereby reducing fossil fuel consumption and associated emissions, such as nitrogen oxides (NO_x), carbon monoxide (CO) and fine particulate matter. This minimizes pollution related to the use of the combustion engine. By advising its customers on an adequate and frequent level of PHEV charging, Arval limits the risk of excessive emissions of air pollutants and greenhouse gases, while improving the overall energy efficiency of the fleet.

These actions, by promoting the adoption of BEVs and the optimised use of PHEVs, contribute directly to a reduction in pollution linked to internal combustion vehicles, a reduction in pollutant emissions and an improvement in air quality. They are essential to support Arval's sustainability and environmental impact reduction objectives.

3rd lever: New mobility

The development of new forms of sustainable mobility for the business market is also a lever. This includes the acceleration of car-sharing, which allows for optimised use of vehicles between several users by reducing the number of vehicles on the road, and therefore a reduction in greenhouse gas emissions. In addition, Arval also encourages the adoption of alternative mobility such as bikes, solutions that promote a reduced carbon footprint while offering flexible transport options adapted to current needs. These initiatives are part of a global strategy to transition to more sustainable means of transport.

Additional levers to mitigate air pollution

In addition to its decarbonisation plan, Arval has already put in place several actions and offers that will help address the challenge of air pollution in the coming years. Among these, SMART Repair and proactive maintenance will help reduce air pollution by optimizing the maintenance and management of the vehicle fleet.

Table 21: Additional levers to mitigate air pollution

Levers	Key actions	Scope (value chain)	Time frame	Key actions undertaken
Complementary solutions	Repairing vehicles more sustainably	Own operations	Medium/long term	<ul style="list-style-type: none"> • SMART Repair • Signing of agreements with paint suppliers
	Perform proactive maintenance	Own operations	Medium/long term	<ul style="list-style-type: none"> • using telematics data from equipped vehicles

SMART Repair

Arval has implemented SMART Repair (*Small to Medium Area Repair Technology*), which limits the pollution generated by vehicle repairs. This approach is based on the use of modern tools and techniques to repair damage locally without replacing entire parts, reducing waste generation and the consumption of polluting materials. By promoting processes such as Paintless Dent Removal ("PDR"), Arval minimises the use of chemicals such as paints and solvents, thus limiting emissions of volatile organic compounds (VOCs) into the air. This approach contributes to the reduction of the environmental impacts associated with repairs, while meeting the challenges of reducing air pollution and hazardous waste.

Arval's actions in this area include the development of a network of garages specialising in SMART Repair, with the explicit objective of limiting the ecological impact of repair operations. By working with partners specialising in paint products and repair technologies, Arval has implemented optimised processes that reduce intervention times while minimising pollution. For example, the use of fast-drying lamps reduces the need for paint booths, reducing energy consumption and associated emissions. In addition, the training of employees and partner workshops on these techniques ensures the standardization of eco-responsible practices, thus limiting polluting emissions and the use of resources. Arval also uses automation tools to assess repairs more efficiently, minimizing the environmental footprint of maintenance activities.

Proactive maintenance

The proactive maintenance strategy is based on the use of telematics data from vehicles equipped with car manufacturers boxes or with specific boxes installed by Arval, in order to anticipate vehicle maintenance needs. This allows maintenance operations to be planned in good time in line with the manufacturers' guidelines, before major mechanical problems occur, thus reducing the likelihood of breakdowns and urgent interventions, which are often more polluting. This approach, which is currently being rolled out, is part of a vision of sustainable fleet management, where reducing unplanned trips to workshops and using resources more efficiently is a priority.

Arval uses a semi-automated process to extract data from the vehicles in its fleet, which is then analysed according to specific maintenance criteria. Eligible drivers receive notifications (on a monthly or bi-monthly basis) in a semi-automated way, inviting them to book maintenance appointments in the Arval network in good time in order to avoid breakdowns.

3.2 Targets related to pollution

Decarbonisation plan

Targets related to the decarbonisation plan are described in 2.4.1 *Climate Change Mitigation and Adaptation Targets*.

SMART Repair

Regarding the pollution reduction targets of the SMART Repair initiative, Arval has set measurable quantitative targets to monitor the impact of its actions. The company tracks the number of SMART repair events and the percentage of these interventions in relation to total repairs, with country-specific targets for 2026. Out of approximately 6,000 partner garages that do body repairs on vehicles leased by Arval, the SMART Repair rate was 13% in 2020. In 2024, it stood at 19%, and Arval aims to reach 22% in 2026. These indicators are monitored both nationally and internationally and enable to assess the resource savings generated by this approach. These actions contribute to a significant reduction in emissions from paint and other pollutants, while reducing waste and energy consumption associated with repairs. Ultimately, Arval aims to extend these practices to its entire network, thus contributing to an overall reduction in pollution caused by its maintenance operations and an improvement in environmental performance.

Proactive maintenance

The main objective of this initiative is to reduce the ecological footprint of maintenance operations by reducing the number of emergency interventions, which consume more energy and generate more pollution. By encouraging preventive and planned maintenance, Arval aims to reduce premature wear and tear on vehicles, extend their lifespan and minimise the environmental impact of repairs. In the long term, this strategy could also contribute to a reduction in CO₂ emissions linked to the essential movement of vehicles to garages.

This proactive maintenance programme allows for better management of resources while having a positive impact on pollution.

This programme has already been launched in 7 countries, and the aim is to implement it in the medium term in all countries where this telematics data is available, mainly in Europe.

Given the vagueness of the text relating to the value chain activities targeted by the publication of metrics on air pollutants for rolling vehicles and on microplastics generated by the use of tyres, and pending an interpretation by EFRAG on the subject, Arval does not publish quantitative data related to pollution, considering that this is generated by the use of vehicles by customers and is located in its downstream value chain.

4 Application of the European Taxonomy to Arval's activities

4.1 Context

4.1.1 Framework and requirements of the European Green Taxonomy

Regulation (EU) 2020/852 (**Taxonomy Regulation**), adopted on 18 June 2020 by the European Parliament and the Council and entered into force on 1 January 2022, on 2021 data, defined an activity classification system (**the Taxonomy**), in order to establish a common benchmark for European companies and investors, to determine the share of their activities that can be considered sustainable ("aligned").

The principles of the Taxonomy aim to foster sustainable investments by requiring companies to disclose the shares of their sales, capital expenditure (CapEx) and operating expenses (OpEx) that contribute substantially to one of the six environmental objectives set out in Article 9 of Regulation (EU) 2020/852:

- Climate Change Mitigation (CCM);
- Climate Change Adaptation (CCA);
- Protection and sustainable use of water and marine resources – WTR (Water);
- Transition to a Circular Economy (CE);
- Pollution Prevention and Control (PPC);
- Protection and restoration of biodiversity and ecosystems – BIO (Biodiversity).

Firstly, an economic activity is considered "eligible" if it is included in the list of activities described in the delegated acts to the Taxonomy Regulation. These correspond to activities identified by the European Commission as likely to make a substantial contribution to one of the six environmental objectives.

Secondly, an activity is said to be "aligned" when it complies with all the Technical Screening Criteria, which are cumulative environmental criteria designed for each activity.

As part of the publication of its first sustainability report under the CSRD, Arval must calculate and publish its indicators (or "KPIs") related to the Taxonomy, relating to the proportion of its revenues and expenses associated with its eligible activities and aligned with the Taxonomy with regard to the 6 environmental objectives mentioned above (i.e. on the full scope provided for by the Taxonomy Regulation).

In order for its activities to be identified as "sustainable" by the Green Taxonomy, Arval must simultaneously:

- demonstrate a substantial contribution (SC criterion(criteria)) to one of the six environmental objectives;
- without prejudice to the other (so-called *Do No Significant Harm* "DNSH" criteria, distinguishing between "specific" DNSH to a particular activity and "generic" DNSH (the "Appendices" which apply to several activities with the same description));
- and this in compliance with the minimum guarantees related to human rights, corruption, taxation and competition law (called *Minimum Safeguards* "MS") defined by 4 founding texts.

The analysis of the eligibility and alignment of Arval's business model was carried out on the basis of a detailed analysis of all its activities, with regard to the regulatory texts^{55 56} and the various FAQs^{57 58 59} published by the European Commission.

⁵⁵ [Climate Delegated Regulation of 4 June 2021 and its annexes](#)

⁵⁶ [Delegated Regulation 2021/2178 of 6 July 2021 and its annexes](#)

⁵⁷ [FAQ 2 of the European Commission of 2 February 2022](#)

⁵⁸ [Climate FAQ of 19 December 2022](#)

⁵⁹ [FAQ Article 8 of 19 December 2022](#)

4.1.2 Link with Arval's CSR strategy

The strategy detailed in the *Strategy* of 1. *General disclosures*, as described in sections 3.1.2 *Policies related to pollution* and 2.3.2 *Policies related to climate change mitigation and adaptation*, concerns the main parameters (climate change mitigation and pollution) targeted by the alignment criteria: carbon intensity and, consequently, the motorisation of vehicles as well as the circularity of economic models (via the modalities of use of vehicles). In addition, the systematic integration of sustainability clauses in all new supplier contracts signed, and of sustainability criteria in the tendering processes, makes it possible to strengthen compliance with certain Taxonomy criteria related to the circular economy as well as the actions mentioned in section 2.3.3 *Actions and resources in relation to climate change policies* regarding the minimisation of repair operations that have a positive effect on greenhouse gases, but also on resource consumption.

The actions implemented to achieve these strategic objectives are supported in the decarbonisation plan described in section 2.2.1 *Transition plan for climate change mitigation*.

4.2 Evaluation and Methodology

4.2.1 Organisation and sources of information

To determine these indicators defined by the European Taxonomy, Arval relies on an internal organisation involving several Businesses and Functions (Operations, Insurance, etc.) in order to collect the data required by the regulation, relating to the vehicles and other assets concerned (bikes, buildings, etc.). This data was supplemented by cross-cutting analyses on climate policies or social and societal issues in particular.

For the economic activities concerned, the analysis is carried out on a vehicle-by-vehicle basis, identifying the characteristics essential to assessing compliance with the technical criteria, including, where necessary, elements from estimates.

The allocation of the result of this analyses to the financial aggregates (turnover, CapEx “capital expenditure” and OpEx “operating expenses”) covered by the regulation is carried out with the finest possible granularity.

4.2.2 Definition of indicators

The ratios relating to turnover, CapEx and OpEx have been calculated according to the strict definition of the delegated act Article 8 of the Taxonomy. They have been prepared in accordance with the IFRS framework used to prepare Arval's consolidated financial statements.

Turnover

The denominator of the sales ratio is the sum of "Lease contract revenues", "Service revenues" and "Proceed of cars sold" as presented in the summary income statement of Arval's consolidated financial statements as at 31 December 2024, i.e. €19,669 million.

The numerator is made up of the share of this turnover associated with eligible and/or Taxonomy-aligned activities.

CapEx

The denominator of the Taxonomy CapEx ratio is the capital expenditure consisting of increases in tangible and intangible assets and right-of-use for the year (before revaluation, depreciation and amortisation, and excluding changes in fair value) as well as increases related to business

combinations, if any. The amount of the denominator corresponds to the sum of the additions for the year presented in the notes "5.b Other intangible assets", "5.c Rental fleet" and "5.d Property, plant and other equipment" of Arval's consolidated financial statements as at 31 December 2024, i.e. €17,779 million.

The numerator is composed of the share of investment expenditure defined in the denominator related to eligible activities and/or aligned with the Taxonomy. In practice, it is mainly composed of the acquisition cost of the vehicles that make up Arval's fleet and for very minor amounts increases in assets or rights of use covered by the following IFRS standards: IAS 16 "Property, plant and equipment", IAS 38 "Intangible assets", IFRS 16 "Leases". In accordance with IFRS 16 "Leases", new contracts, renewals, revaluations and lease extensions have been taken into account in the calculation of the numerator.

The details of the company's investment strategy relating to these CapEx ("CapEx plan", presenting the environmental objectives pursued, the economic activities and the research, development and innovation activities concerned) are described in section 2.3.3 of this report in the following sections:

- **Fleet composition:** acquisition of electrified vehicles aligned with the European Taxonomy.
- **Sustainable use of vehicles:** development of digital solutions to improve driving behaviour.

OpEx

The denominator of the OpEx Taxonomy ratio corresponds to the direct uncapitalized costs related to maintenance and repairs, as well as all other expenses related to the day-to-day maintenance of tangible assets by the company or by a third-party subcontractor and short-term rentals, amounting to €1,318 million. This amount cannot be reconciled with Arval's consolidated financial statements and related notes.

The numerator is composed of the share of operating expenses in the taxonomic sense, defined in the denominator and which are associated with eligible activities and/or aligned with the Taxonomy. In practice, operating expenses are made up of maintenance and repair expenses ("SMR") and tyre purchases related to the vehicles that make up Arval's fleet.

4.3 Taxonomy Eligibility

4.3.1 Eligibility for environmental objectives

Arval's activities eligible under the Taxonomy under all environmental objectives are as follows:

- Vehicle leasing is eligible for Mitigation and Adaptation objectives under **CCM/CCA activity 6.5. Transport by motorcycles, passenger cars and light commercial vehicles**. This activity includes the rental of vehicles and the provision of related services, such as mobility management assistance, vehicle replacement when needed, repair and maintenance services, etc.
- Bike and scooter rental activities are eligible for the Mitigation and Adaptation objectives under **CCM/CCA activity 6.4. Operation of personal mobility devices, cycle logistics**. These activities are not very significant in terms of the company's business model.
- The buildings (owned by Arval or for which Arval derives rights of use – IFRS 16) are eligible for the Climate Change Mitigation objectives via **CCM activity 7.7. Acquisition and ownership of buildings**. In practice, the share eligible for the Adaptation to Climate Change objective is negligible.
- Telematics solutions are eligible for the Climate Change Mitigation goal under **CCM Activity 8.2. Data-driven solutions for greenhouse gas emission reductions**. Arval is mainly involved with the Arval Connect telematics solution.

- The motor insurance activities offered to Arval's insurance subsidiary, Greenval, are eligible for the Climate Change Adaptation objective under **CCA 10.1. activity Non-life insurance: underwriting of climate-related perils**. In particular, the share of gross premiums covering climate-related hazards of underwritten products declared by Greenval has been recognized as eligible for the Taxonomy. The extraction of this climatic component could not be done on multi-risk products, so that only the part of the premiums corresponding to natural disaster coverage was considered eligible for 2024.
- Finally, vehicle resale activities when they reach the end of their contract with individuals and professionals are eligible for the Transition to a CE circular economy objective **5.4. Sale of second-hand goods**.

Outsourced fleet management activities and putting in touch customers with service providers for the installation of charging stations are not eligible for the Taxonomy.

The following table supports this taxonomic eligibility with regard to the texts and indicators:

Table 22: Presentation of Arval's taxonomic eligibility with regard to texts and indicators

Environmental objective	Activity covered by the European Taxonomy	Definition of activity by the European Taxonomy	Arval's corresponding activity	Taxonomy Indicators
Climate Change Mitigation & Adaptation ("CCM/CCA")	6.5 Transport by motorcycles, passenger cars and light commercial vehicles	Purchase, financing, leasing and operation of designated vehicles	Low-carbon vehicle rental	Turnover Capital expenditures Operating expenses
	6.4 Operation of Passenger Mobility Devices, Bike Logistics	Sale, purchase, financing, leasing, rental and operation	Purchase and Rental of Designated Mobility Devices	Turnover Capital expenditure Operating expenses
	7.7 Acquisition and ownership of buildings	Purchase of real estate and exercise of ownership of this real estate	Owned real estate portfolio or that generates rights of use linked to long-term rental contracts	Capital expenditures Operating expenses
Climate Change Mitigation ("CCM")	8.2. Data-driven solutions for GHG emission reductions	The development or use of ICT solutions to collect, transmit, store, model and use data where the primary objective of these activities is to obtain data and analysis to reduce GHG emissions	Sale of driving assistance and optimisation services based on telematics solutions	Turnover Capital expenditures Operating expenses
Climate Change Adaptation ("CCA")	10.1. Non-life insurance: underwriting of climate-related perils	Provision of certain insurance services (other than life insurance) related to the coverage of climate-related perils	Automobile Insurance Services related to Climate Risks and Natural Disasters ("CATNAT")	Turnover
Transition to a circular economy ("CE")	5.4. Sale of second-hand goods	Sale of second-hand goods that have been used in accordance with their intended use by a customer (natural or legal person), possibly after repair, refurbishment or remanufacturing (including motor vehicles)	Sale of used vehicles (at the end of the lease contract)	Turnover Operating expenses

4.4 Alignment with the Taxonomy by Arval

The alignment analysis for the 2024 fiscal year covers all environmental objectives.

For each of the activity categories, the assessment was established as follows:

- verification of the substantial contribution of each eligible activity;
- verification of specific DNSH for activities that have met the Substantial Contribution (SC) criteria;
- evaluation of the application of the generic DNSH "adaptation to climate change" to the identified activities and verification of compliance with the criteria by the assets (vehicles, storage warehouses, etc.) targeted, if applicable;
- review and verification of compliance with minimum guarantees in the Group's policies.

4.4.1 Analysis of the alignment of activities with specific SC and DNSH criteria by Arval

The analysis of the alignment of eligible activities under the Taxonomy is summarised by eligible activity below:

CCM/CCA 6.5 Transport by motorcycles, passenger cars and light commercial vehicles

Substantial Contribution: Climate Change Mitigation

Criteria

The activity complies with the following criteria:

(a) for vehicles of category M1 and N1, both falling under the scope of Regulation (EC) No 715/2007:

(i) until 31 December 2025, specific emissions of CO₂, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are lower than 50 g CO₂/km (low- and zero-emission light-duty vehicles);

(ii) from 1 January 2026, specific emissions of CO₂, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are zero.

(b) for vehicles of category L, the tailpipe CO₂ emissions equal to 0 g CO₂e/km calculated in accordance with the emission test laid down in Regulation (EU) 168/2013. The activity meets the following criteria:

Analysis by Arval

To validate this criterion, vehicles must demonstrate greenhouse gas (GHG) emissions strictly below 50 g of CO₂/km at the tailpipe (measured in WLTP). The analysis covered vehicles of categories M1 and N1, as well as a negligible share of vehicles of category L. This analysis is based on vehicle registration data (VIN) that identifies the carbon intensity of each vehicle. For certain vehicles registered before the entry into force of the WLTP standard (determined by country according to the date of application), a conversion factor (since the old NEDC standard) has been applied to express the carbon intensity in "WLTP-equivalent" value and to avoid underestimating the emissions of the vehicles concerned.

Substantial Contribution: Climate Change Adaptation

Refer to the section: *Do No Significant Harm (DNSH - Appendix A) and Substantial Contribution (Categories 6.5, 6.4 and 7.7) – Adaptation to Climate Change.*

Do No Significant Harm (DNSH): Circular Economy

Criteria

Vehicles of categories M1 and N1:

(a) at least 85% reusable or recyclable by weight;

(b) at least 95% reusable or recoverable by weight.

Measures are in place to manage waste both in the use phase (maintenance) and the end-of-life of the fleet, including through reuse and recycling of batteries and electronics (in particular critical raw materials therein), in accordance with the waste hierarchy.

Analysis by Arval

The criteria for recyclability and reusability are aligned with those of Directive 2000/53/EC of 18 September 2000. Ensuring compliance with these regulations – and therefore with the criteria for reuse, recyclability and/or recovery – is the responsibility of car manufacturers. Under this framework, all vehicles operated and registered in the EU after 1 January 2015 (the date by which Member States must meet their targets) are considered to be in compliance with Directive 2000/53/EC. In practice, all Arval vehicles on the road in 2024 and having validated the substantial contribution were registered after this date. They are therefore deemed to comply with the recyclability and reusability criteria defined by the Directive.

Vehicles owned by Arval as part of a rental service are either re-leased (with or without prior reconditioning) or resold (negligible share of scrapping). In addition, the policy put in place for the selection of suppliers requires compliance with best environmental practices by companies carrying out vehicle maintenance and repairs, particularly in terms of waste management. Furthermore, through its business model, Arval no longer owns vehicles in the end-of-life phase. To date, there is no regulatory framework to trace vehicles throughout their life cycle, and to ensure compliance with the criterion of reuse and recycling of critical materials at the end of their life, particularly in the case of Arval, after the vehicle has been sold.

In conclusion, the vehicles are considered to be aligned.

Do No Significant Harm (DNSH): Pollution

Criteria

(1) Vehicles comply with the requirements of the most recent type-approval stage with regard to Euro 6 emissions for light commercial vehicles set out in accordance with Regulation (EC) No 715/2007.

(2) Vehicles comply with the emission thresholds for clean light vehicles set out in Table 2 of the Annex to Directive 2009/33/EC of the European Parliament and of the Council.

(3) For road vehicles of categories M and N, tyres comply with the external rolling noise requirements in the highest populated energy efficiency class and the rolling resistance coefficient (influencing the vehicle energy efficiency) in the two highest populated energy efficiency classes, in accordance with Regulation (EU) 2020/740 and as can be verified from the European Product Registry for Energy Labelling ("EPREL").

(4) Vehicles comply with Regulation (EU) No 540/2014 of the European Parliament and of the Council.

Analysis by Arval

(1) The Euro 6d standard ((EC) No. 715/2007) comes into force on 1 January 2021 for all new vehicles sold in Europe. In addition, the Euro 6e standard came into force on 1 September 2024.

As a result, all vehicles in Arval's on-road fleet in a member country of the European Union and which have been registered from 2021 onwards are deemed to comply with the Euro 6d standard and, for those registered after September 2024, to comply with the Euro 6e standard. In addition, based on the study of the regulations applicable in the main non-EU countries, compliance with the DNSH, established according to the rules previously set out, is also valid for:

Euro 6d: vehicles operating in Norway, the United Kingdom, Switzerland and Turkey.

Euro 6e: vehicles operating in Norway by applying this new European standard uniformly in the European Economic Area.

Outside of these countries, the vehicles were considered not to be compliant with this DNSH.

(2) An in-depth analysis of the various directives to which the criterion refers leads to the conclusion that Table 2 of the Annex to Directive 2009/33/EC is not applicable to Arval and therefore of the criterion. First, none of Arval's activities meet the definition of a public service contract as defined in

Article 1 (i) of [REGULATION \(EC\) No 1370/2007](#). On the other hand, Section 3 of Directive [2014/25/EU](#) on exclusions, Article 7, excludes from the scope of the Directive contracts awarded in the water, energy, transport and services sectors. Finally, Arval does not operate public transport services, so points a) and c) of Article 3 of [DIRECTIVE 2009/33/EC](#) are outside the scope of application.

Arval's activities are therefore aligned with this criterion.

(3) The tyres fitted to Arval's fleet of vehicles are derived from a) the purchase of tyres for maintenance and b) so-called "original equipment" tyres as fitted to new vehicles sold by car manufacturers.

The exhaustive verification of this criterion according to the regulatory provisions is extremely complex and very difficult to implement, because it requires, in principle, to have a continuous inventory of the tyres fitted to each vehicle on the road (i.e. more than 7 million tyres in total), to reference for each of them the labels of rolling resistance coefficient and external rolling noise, and to carry out the manual unit test of the references thus collected in the EPREL database⁶⁰. Arval surveyed its main car manufacturer suppliers to collect information on original equipment tyres, but none of them responded, as this criterion does not apply to the category of the European Taxonomy to which they are subject.

In order to assess the impact of this criterion on the alignment rate as accurately as possible, Arval has implemented a simplified analysis method of the criterion based on the additional guidance provided by points #70 to #73 of FAQ 2023/267 of 20/10/2023 relating to the European Taxonomy. The analysis uses existing data exchanged with the Group's tyre suppliers: collection of unit tyre purchases for the year 2024 and identification of equipped vehicles carried out in the main countries (allowing an average coverage of 70% of Arval's eligible activities), unit census of rolling resistance coefficient labels, constitution of homogeneous categories in order to produce comparable tyre samples in terms of energy performance class via a manual process with the EPREL database (conservative approach reducing the alignment result as a matter of principle). These categories are constructed using the tyre class, the tyre type "summer", "winter", "all season" as well as the tyre speed category index.

In 2024, an average of 64% of tyres purchased are deemed to meet the criterion, with this rate rising to 80% for "summer" tyres and 26% for "winter" or "all-season" tyres, which is representative of the small proportion available on the market of this type of tyre that meets the Taxonomy criterion.

In the absence of available information, the potential impact of the rolling noise criterion could not be assessed.

The alignment ratio calculated on the basis of the substantial contribution and other DNSH has been restated as follows:

- Revenue and OpEx: Application of the average alignment rates (summer, winter, all-season) specific to the rolling resistance coefficient criterion. In practice, the alignment rate of countries subject to laws requiring the fitting of winter tyres is more severely impacted than average.
- CapEx: application of the "summer" rate, considering that original equipment tyres are mainly summer tyres, and that Arval replaces original equipment tyres with identical tyres where possible.

These calculation methods may be revised in subsequent periods.

(4) All vehicles operated by Arval in the EU are considered to comply with the current noise requirements set out in Regulation (EU) 540/2014.

⁶⁰ EPREL is a database of energy-labelled products in the EU, helping consumers and stakeholders to compare and choose the most efficient options.

CCM/CCA 6.4. Operation of passenger mobility devices, cycle logistics

Substantial Contribution: Climate Change Mitigation

Criteria

(1) *The propulsion of people's mobility devices is provided by the user's physical activity, a zero-emission motor, or the combination of a zero-emission motor and physical activity.*

(2) *The personal mobility devices are allowed to be operated on the same public infrastructure as bikes or pedestrians.*

Analysis by Arval

All the devices rented and eligible for these activities comply with the criteria of substantial contribution by their nature (electric bikes, motorised personal mobility devices, etc.).

Substantial Contribution: Climate Change Adaptation

Refer to the section: *Do No Significant Harm (DNSH - Appendix A) and Substantial Contribution (Categories 6.5, 6.4 and 7.7) – Adaptation to Climate Change.*

Do No Significant Harm (DNSH): Circular Economy

Criteria

Measures are in place to manage waste, in line with the waste hierarchy, both in the use (maintenance) phase and at the end of life, including through the reuse and recycling of batteries and electronics (in particular the critical raw materials they contain).

Analysis by Arval

This equipment is subject to the General Regulation on Electrical and Electronic Equipment ("EEE") and their Waste (WEEE). Directive 2012/19/EU on WEEE requires EEE producers to finance the collection, treatment and recovery of waste from their products. In France, this obligation is implemented in particular by the ecosystem eco-organisation, which manages the recycling channels for household WEEE. To date, there is no regulatory framework that allows for the traceability of these mobility devices throughout their life cycle and to ensure compliance with the criterion of reuse and recycling of critical materials at the end of their life, in particular in the case of Arval, after the sale of the latter.

In conclusion, the systems for the mobility of people and cyclo-logistics are considered to be aligned.

CCM 7.7. Acquisition and ownership of buildings

Substantial Contribution: Climate Change Mitigation

Criteria

(1) *For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings.*

(2) *For buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1 of this Annex that are relevant at the time of the acquisition.*

(3) Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air conditioning and ventilation of over 290 kW) it is efficiently operated through energy performance monitoring and assessment

Analysis by Arval

(1) (2) (3) Given the very low materiality to date of the amounts concerned, Arval has concluded that there is no default alignment of the activity for this financial year.

Substantial Contribution: Climate Change Adaptation

Refer to the section: *Do No Significant Harm (DNSH - Appendix A) and Substantial Contribution (Categories 6.5, 6.4 and 7.7) – Adaptation to Climate Change.*

Do No Significant Harm (DNSH): Climate Change Mitigation

Criteria

The building is not intended for the extraction, storage, transportation or manufacture of fossil fuels.

In the case of buildings constructed before 31 December 2020, an energy performance certificate of at least class C has been issued. Otherwise, the building is in the top 30% of the national or regional building stock in terms of operational primary energy consumption, which is demonstrated by appropriate evidence, comparing at least the performance of the property concerned to the performance of the national or regional building stock built before 31 December 2020, and distinguishing at least between residential and non-residential buildings.

In the case of buildings constructed after 31 December 2020, the primary energy consumption, which defines the energy performance of the building resulting from the construction, does not exceed the threshold set for the requirements for nearly zero-energy buildings ("NZEBS") and set out in the national regulations implementing Directive 2010/31/EU. The energy performance is certified by an energy performance certificate.

Analysis by Arval

Given the very low materiality to date of the amounts concerned, Arval has concluded that there is no default alignment of the activity for this financial year.

CCM 8.2. Data-driven solutions for greenhouse gas emission reductions

Substantial contribution

Criteria

The ICT solutions are predominantly used for the provision of data and analytics enabling GHG emission reductions.

Where an alternative solution/technology is already available on the market, the ICT solution demonstrates substantial life-cycle GHG emission savings compared to the best performing alternative solution/technology. Life-cycle GHG emissions and net emissions are calculated using Recommendation 2013/179/EU or, alternatively, using ETSI ES 203 199, ISO 14067:2018 or ISO 14064-2:2019.

Analysis by Arval

The Arval Connect solution (see section 6.2.4 *Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions*) is considered eligible for the Taxonomy under activity "8.2. Data-driven solutions for greenhouse gas emission reductions", as the main benefits of the solution are to improve eco-driving scores, optimise the charging frequency of hybrid

vehicles, help identify mobility solutions (including electrification, etc.) according to users' needs, and thus reduce greenhouse gas emissions.

In the absence of an alternative solution to the one proposed by Arval (telematics) as well as those of some of its competitors, the demonstration of the reduction of greenhouse gases via ISO normative evaluations is not required, in accordance with the text.

Do No Significant Harm (DNSH): Circular Economy

Criteria

(1) *The equipment used meets the requirements laid down in accordance with Directive 2009/125/EC for servers and data storage products.*

(2) *The equipment used does not contain any of the restricted substances referred to in Annex II to Directive 2011/65/EU, except where the concentration values by weight in homogeneous materials do not exceed those set out in that Annex.*

(3) *A waste management plan shall be in place, ensuring maximum end-of-life recycling of electrical and electronic equipment, including through contractual agreements with recycling partners, consideration in financial projections or in official project documents.*

(4) *At the end of its life, the equipment shall be prepared for re-use, recovery or recycling, or appropriate treatment, including the extraction of all fluids and selective treatment, in accordance with Annex VII to Directive 2012/19/EU.*

Analysis by Arval

(1) (2) The DNSH has been analysed on the components of the solution (boxes, servers), the elements of compliance with European regulations are deemed to have been validated.

(3) (4) As specified for the DNSH Circular Economy concerning the management of end-of-life of vehicles, Arval no longer owns the vehicles during this phase, and the boxes are sold with the vehicles they equip. To date, there is no regulatory framework that makes it possible to trace the vehicles and therefore the boxes in question throughout their life cycle, and to ensure compliance with the criterion of ensuring maximum recycling and/or preparation for reuse, recovery or recycling operations, or appropriate treatment.

CCA 10.1. Non-life insurance: underwriting for climate-related perils

Substantial contribution

Criteria

To validate the substantial contribution criteria, they must demonstrate a set of measures relating to:

- *leadership in climate risk modelling and pricing;*
- *product design;*
- *innovative solutions in terms of insurance coverage;*
- *data sharing;*
- *a high level of service in post-disaster situations.*

Analysis by Arval

The insurance products (other than life insurance) related to the coverage of climate-related perils offered by Arval through its subsidiary Greenval correspond to the insurance services listed in the description of the activity in point (e) "other motor insurance" of the activity covered by taxonomy 10.1. Non-life insurance: Coverage for climate-related hazards.

These products are multi-risk. However, in accordance with the Taxonomy Regulation and the latest FAQ⁶¹ addressed to financial companies, only services "related to the coverage of climate-related perils" are eligible. To date, Greenval covers risks related to natural disasters and climatic events via the Claims/Damage and Cat-Nat ("CATNAT") coverage on the rolling fleet and vehicles in stock in the EU.

The key performance indicator for Greenval's underwriting activities only considers as eligible the share of total gross premiums written in non-life insurance related to the coverage of climatic hazards. This share is determined by the pricing calculated for these contingencies, according to Greenval's actuarial methodology. However, it is not yet possible to extract the pricing of this climatic component on multi-risk products, in particular on the product that includes hail risk coverage.

In 2024, given the low materiality of CATNAT coverage, it was considered that the vast majority of Greenval insurance products are not aligned with the Taxonomy.

CE 5.4. Sale of second-hand goods

Substantial contribution

Criteria

(1) The economic activity consists of selling a second-hand product that had been used for its intended purpose by a customer (physical person or legal person), potentially after its prior cleaning, repair, refurbishment or remanufacturing.

(2) The sold product is covered by a sales contract where relevant and in accordance with provisions as regards conformity of the product, liability of the seller (including the option of a shorter liability or limitation period for second-hand products), burden of proof, remedies for lack of conformity, the modalities for the exercise of those remedies, repair or replacement of the goods, and commercial guarantees.

(3) Where the product has been repaired, refurbished or remanufactured before reselling, the activity implements a waste management plan that ensures that the product's materials and components that have not been reused in the same product, are reused elsewhere, or where reuse is not possible (for example due to damage, degradation or hazardous substances), are recycled, or, only where reuse and recycling are not viable, are disposed of. For remanufacturing, the waste management plan is accessible to the public.

(4) Where the economic activity involves delivery of packaged products to customers (physical person or legal person) including when the activity is operated as an e-commerce, the primary and secondary packaging of the product complies with one of the following criteria: [...].

Analysis by Arval

(1) The nature of the resale activities of Arval's used vehicles makes it possible to validate the criterion.

(2) The analysis of the general terms and conditions of sale of the contracts of the consolidated company Arval Trading, whose activity is the resale of used vehicles and French operations, validates compliance with Directive (U) 2019/771. Indeed, the contracts cover the seller's obligations and the consumer's rights relating to:

- the conformity of the sales contract with respect to the goods delivered;
- the seller's liability in the event of a lack of conformity;
- commercial guarantees.

(3) Arval's operations systematically favour the logic of SMART Repair (see section 3.1.3 *Actions and resources related to pollution policies*), i.e. prioritising a localised repair in order to use fewer resources, minimise waste and reduce costs. However, in the absence of a waste management plan formalised at

⁶¹ DRAFT COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy aligned economic activities and assets (third Commission Notice) - B. Insurance and reinsurance undertakings – FAQ #67 et #68.

the level of the countries of operation, Arval has made the prudent choice to exclude from the alignment the share of vehicles undergoing refurbishment or repair.

(4) The activity does not involve the delivery of packaged products. This criterion was considered not applicable.

Do No Significant Harm (DNSH): Climate Change Mitigation

Criteria

(1) Where the activity involves on-site generation of heat/cool or co-generation including power, the direct GHG emissions of the activity are lower than 270 gCO₂e/kWh.

(2) The activity develops a strategy to account for and reduce the GHG emissions arising from transport along the value chain, including shipping and returns, to the extent these are traceable.

(3) Where the sold product is initially produced by the activities classified under NACE codes C29, and is a vehicle, mobility component, system, separate technical unit, part or a spare part as defined in Regulation (EU) 2018/858, when sold in the secondary market after 2025 and before 2030 the following criteria apply: (a) vehicles of category M1 and N1 classified as light-duty vehicles comply with specific emissions limits of CO₂, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631 of the European Parliament and of the Council, lower than 50 gCO₂/km (low- and zero-emission light-duty vehicles);

(4) Where the product, initially produced by the activities classified under NACE codes C29, and being a vehicle, mobility component, system, separate technical unit, part or a spare part as defined in Regulation (EU) 2018/858, is sold in the secondary market after 2030 specific emissions of CO₂, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631 are zero

Analysis by Arval

(1) The activity does not involve on-site production.

(2) This strategy for the decarbonisation of activities is set out in section 2 of this report. In addition, strategies for reducing greenhouse gas emissions are developed at the level of each entity/country.

(3) The criterion specifies that the tailpipe emission thresholds are only applicable from 2026. Arval therefore considered all the vehicles resold in its activity to be aligned with this criterion.

(4) Criterion not applicable before 2030.

Do No Significant Harm (DNSH): Pollution

Criteria

(1) This activity complies with the criteria set out in Appendix C to Delegated Regulation 2023/2486.

(2) Where the product sold is initially manufactured by the activities covered by NACE code C29, and it is a vehicle, mobility component, system, separate technical unit, part or spare part within the meaning of Regulation (EU) 2018/858, it meets the requirements of the most recent applicable phase of type-approval with regard to Euro 6 emissions from heavy-duty vehicles defined in accordance with Regulation (EC) No 595/2009 or the requirements of the most recent applicable phase of type-approval with regard to Euro 6 emissions from light commercial vehicles defined in accordance with Regulation (EC) No 715/2007 or their successors.

(3) In the case of road vehicles of categories M and N, the tyres comply with the external rolling noise requirements of the highest energy efficiency class used and the rolling resistance coefficient (which affects the energy efficiency of the vehicle) of the two highest energy efficiency classes used, in accordance with Regulation (EU) 2020/740 of the European Parliament and of the Council, and as can be verified from the European Energy Labelling Database (EPREL).

(4) Tyres comply with the successor Regulations to Regulations (EC) No 715/2007 and (EC) No 595/2009.

Analysis by Arval

(1) See section 4.4.2 and more specifically "Do No Significant Harm (DNSH): Appendix C – Pollution (applicable to EC 5.4)"

(2) (3) (4) These criteria, which are comparable to those of the CCM 6.5 activity, have been revised in a similar way for the resale of used vehicles.

4.4.2 Generic DNSH Alignment Analysis – Appendices A, B, and C

The only generic DNSH that applies to several of Arval's activities is Appendix A, relating to adaptation to climate change.

Do No Significant Harm - Appendix A and Substantial Contribution - Adaptation to Climate Change (CCM/CCA Categories 6.5, 6.4 and 7.7)

Criteria

Physical climatic risks to the activity were identified by conducting a robust climate risk and vulnerability assessment with the following steps:

review of the activity to identify the physical climate risks listed in Section II of Annex I to Regulation (EU) 2020/852, may affect the performance of the economic activity over its expected lifetime;

where the activity is assessed as being exposed to one or more of the physical climate risks listed in Section II of this Annex, a climate risk and vulnerability assessment to assess the significance of the physical climate risks on the economic activity;

an assessment of adaptation options that can reduce the identified physical climate risk.

The assessment of climate risks and vulnerability is proportionate to the scale of the activity and its expected lifespan, such as:

for activities with an expected lifetime of less than 10 years, an assessment shall be carried out, at a minimum, using climate projections at the smallest appropriate scale;

for all other activities, an assessment shall be carried out using state-of-the-art climate projections, with the highest available resolution, on the existing range of future scenarios, consistent with the expected lifetime of the activity, including, at least, 10 to 30 multi-year climate projection scenarios for major investments.

Analysis by Arval

These requirements apply across the board to all of Arval's eligible activities. Thus, the analysis focused on its rental activities on the one hand and on its sites on the other.

The resilience analysis of Arval's strategy and business model covers all of its activities, including mobility solutions, including fleet management, maintenance and repair services as well as financing solutions.

Arval has identified the main physical climate risks and assessed the impact of climate change by capitalising on the data available, via its subsidiary Greenval specialising in insurance services, within the framework of the Insurance regulatory requirements imposed by the Central Bank of Ireland.

The detailed analysis identified the two main risks affecting Arval's fleet: hail and flooding (Cat-Nat risks). The assessment work made it possible to estimate the share of the fleet affected as well as the potential financial impact of Cat-Nat damage by 2030 and 2050. This work was based on an IPCC RCP 4.5 scenario. This analysis consisted of:

- 1) a projected fleet in the short and medium term;
- 2) an estimate of the number of vehicles impacted by such events in the short and medium term;

- 3) a projection of the cost of repair, taking into account inflation, the technological enrichment of vehicles, a greater share of electric vehicles, which are more expensive to repair, and a greater severity of damage following the events.

The results of the study reveal significant risks (hail, flooding) for which Arval is implementing adaptation solutions to strengthen the resilience of its business model and ensure the continuity of services for its customers.

For example, Arval continues to deploy its risk limitation action plan, through site protection adaptation measures, by installing anti-hail nets, by storing or diversifying the distribution of the overall stock.

The second analysis covers the sites where Arval is present. The intensity of risk exposure differs depending on the type of hazard and the SSP scenario. The risks "heat, drought, fire, flood, hail, coastal flooding" were considered and modelled on the IPCC SSP scenarios 2.6, 4.5 and 8.5, up to 2030 and 2050. The main risks impacting Arval's sites are heat, drought, fire and flooding.

Arval has deployed a Business Continuity Plan ("BCP") which aims, among other things, to limit the negative impact of hazards related to physical risks. For the most significant physical and climatic risks, the BCP determines an action corresponding to the impact: home office for the employee, temporary transfer of employees to another site, temporary transfer of the activity to another site, or other measures if deemed necessary.

For more details on these studies, the reader can refer to sections 1.3.2 and 2.3.2.

Do No Significant Harm (DNSH): Appendix B – Water

Criteria

Environmental degradation risks related to the preservation of water quality and the prevention of water stress shall be identified and addressed with the aim of achieving good environmental status or potential of the waters as defined in points (22) and (23) of Article 2 of Regulation (EU) 2020/852, in accordance with Directive 2000/60/EC (1), and a water use and protection management plan developed under the plan for the potentially affected water body(s), in consultation with relevant stakeholders.

Where an environmental impact assessment is carried out in accordance with Directive 2011/92/EU and includes a water impact assessment in accordance with Directive 2000/60/EC, no further water impact assessment shall be required, provided that measures have been adopted to address the identified risks.

The activity shall not prevent the achievement of good environmental status of marine waters and shall not result in the deterioration of marine waters that are already in good environmental status, as defined in Article 3(5) of Directive 2008/56/EC, taking into account Commission Decision (EU) 2017/848 as regards the criteria and methodological standards applicable to those descriptors.

Analysis by Arval

Arval's activities are part of the European regulatory framework for the preservation of water resources. In addition, the effects of the activities are considered negligible in terms of the risk of ecological degradation of marine waters, which is highlighted by the absence of DNSH "Sustainable use and protection of water and marine resources" on the vehicle rental activity (CCM 6.5.).

Do No Significant Harm (DNSH): Appendix C – Pollution (applicable to EC 5.4)

Criteria

The activity does not result in the manufacture, placing on the market or use of:

(a) substances, either as such, in mixtures or in articles, listed in Annex I or II to Regulation (EU) 2019/1021 of the European Parliament and of the Council, with the exception of substances present as unintentional trace contaminants;

(b) mercury and mercury compounds, mixtures thereof and mercury-containing products as defined in Article 2 of Regulation (EU) 2017/852 of the European Parliament and of the Council;

(c) substances, either as such, in mixtures or in articles, listed in Annexes I or II to Regulation (EC) No 1005/2009 of the European Parliament and of the Council;

(d) substances listed in Annex II to Directive 2011/65/EU, on their own, in a mixture or in an article, unless Article 4(1) of that Directive is fully complied with;

(e) substances, either as such, in mixtures or in articles, listed in Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council, unless they fully comply with the conditions specified in that Annex;

(f) substances, on their own or in a mixture or in an article with a concentration greater than 0,1% weight/weight (w/w), meeting the criteria set out in Article 57 of Regulation (EC) No 1907/2006 and which have been identified in accordance with Article 59(1) of that Regulation, for a period of at least 18 months, unless it is considered and documented by the operators that no other suitable substances or technologies are available on the market to replace them and that they are used under controlled conditions.

In addition, the activity does not lead to the manufacture, presence in the finished product or production, or placing on the market of other substances, on their own or contained in a mixture or in an article with a concentration greater than 0,1% weight/weight (w/w), meeting the criteria laid down in Regulation (EC) No 1272/2008 for any of the hazard classes or categories referred to in Article 57 of Regulation (EC) No 1907/2006, unless it is considered and documented by the operators that no other suitable substances or technologies are available on the market to replace them and that they are used under controlled conditions.

Analysis by Arval

In the context of its activity of reselling used vehicles, Arval does not have the possibility of conducting an analysis of the substances that go into the composition of vehicles on its own. Arval therefore surveyed its main car manufacturer suppliers to collect information on the elements on the pollutants mentioned in the criterion, but none of them responded. However, Arval has analysed the 2024 (or 2023 if not yet published) taxonomy declarations of its three main vehicle suppliers which all declare that the generic DNSH on pollution for the manufacture of new vehicles is satisfied at a global level or at least on their European activities, Arval's main market. Consequently, Arval considered that its activities were aligned with this criterion.

4.4.3 Analysis of alignment with Minimum Guarantees (MS) by Arval

In order for its activities to be considered aligned with the Taxonomy, a company must implement procedures "to align with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions cited in the International Labour Organisation's Declaration on Multinational Enterprises". fundamental principles and rights at work and by the International Bill of Human Rights... (Article 18 of the Taxonomy Regulation).

To date, Arval has not had any convictions concerning corruption, taxation, free competition or human rights. The company has a number of procedures within itself and through the contractual documents that bind it to its partners; it applies the guidelines of BNP Paribas.

The table below presents the internal policies and procedures put in place by Arval to cover the Minimum Safeguards criterion on the topics of human rights, corruption, competition law and taxation

as well as the non-alignment criteria, following the recommendations of the final report of the [Platform on Sustainable Finance of October 2022](#)⁶².

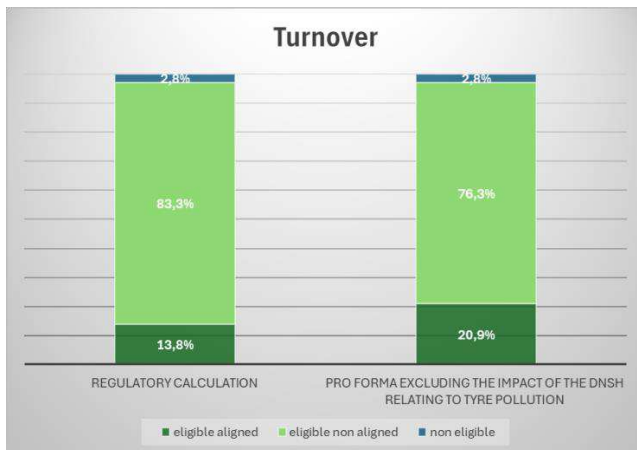
Table 23: Presentation of Arval's internal policies and procedures relating to alignment with Minimum Guarantees

Criteria	Detailed criteria	Application to Arval
Human Rights Due Diligence	The company has an appropriate human rights due diligence process in place, in line with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises.	BNP Paribas Code of Conduct, including a reference to the founding texts (UNGP, OECD, International Bill of Human Rights and ILO) BNP Paribas Principles of Responsible Business BNP Paribas Sustainable Procurement Charter BNP Paribas Whistleblowing Platform Due Diligence
Human rights convictions	The company was not convicted on the exercise under labour or human rights law.	No human rights convictions to date
Anti-corruption procedures	The company has anti-corruption processes in place.	BNP Paribas Code of Conduct BNP Paribas Anti-Corruption Statement Summary of BNP Paribas Anti-Corruption Policy and Procedures Sapin II Compliance Procedures for BNP Paribas Anti-Money Laundering Questionnaire
Convictions for corruption	The company or its officers, including the officers of its subsidiaries, have not been found guilty of bribery by a court.	No conviction to date for corruption
Tax governance	Tax governance and compliance are considered important elements of supervision, and adequate tax risk management strategies and processes are in place.	BNP Paribas Tax Code of Conduct
Tax penalties	The company or its subsidiaries have not been subject to any tax convictions.	No convictions are known to date with regard to taxation
Open competition procedures	The company makes its employees aware of the importance of complying with all applicable competition laws and regulations.	BNP Paribas Code of Conduct with a focus on Arval Mandatory regular training for all employees on business relations and the management of commercially sensitive information
Condemnation of free competition	The company or its directors, including the managers of its subsidiaries, have not been convicted of infringement of competition law.	No known convictions in competition matters to date

⁶² *Final Report on Minimum Safeguards, Sustainable Finance Platform, October 2022.*

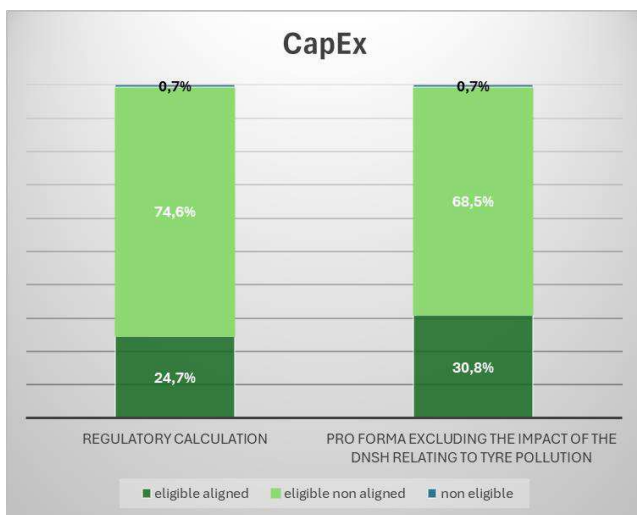
4.5 Eligibility and alignment results for the 2024 financial year

4.5.1 Turnover indicator



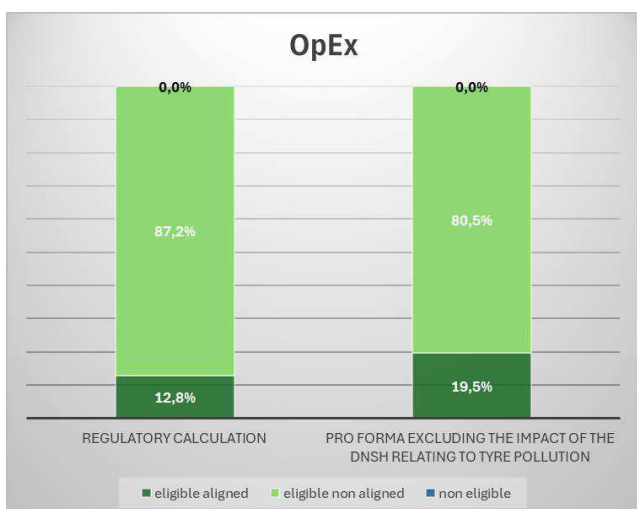
The ratio relating to turnover to eligibility for the Taxonomy is 97.2%, the alignment ratio is 13.8% (20.9% excluding the impact of the DNSH relating to tyre pollution applied to categories 6.5 and 5.4 which is the subject of an estimated calculation).

4.5.2 CapEx indicator



The ratio of CapEx to Taxonomy eligibility is 99.3%, the alignment ratio is 24.7% (30.8% excluding the impact of the DNSH relating to tyre pollution applied to categories 6.5 and 5.4 which is the subject of an estimated calculation).

4.5.3 OpEx indicator



The ratio relating to OpEx to Taxonomy eligibility is 100%, the alignment ratio is 12.8% (19.5% excluding the impact of the DNSH relating to tyre pollution applied to categories 6.5 and 5.4 which is the subject of an estimated calculation).

4.5.4 Regulatory tables

Table 24: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

Economic activities	Code	Turnover	Proportion of Turnover, year 2024	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum Safeguards	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
		in millions of €	%															
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	1,788	9.1%	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	YES	YES	NO	YES		T
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	1	0.0%	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	NO	YES	NO	YES		
Sale of second-hand goods	CE 5.4	915	4.7%	N/EL	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	NO	NO	YES		
Dat-driven solutions for GHG emissions reductions	CCM 8.2	18	0.1%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	YES	E	
Non-life insurance: underwriting of climate-related perils	CCA 10.1	-	-	N/EL	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	NO	NO	NO	YES	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		2,722	13.8%	9.2%	-	-	-	4.7%	-									
Of which enabling		18	0.1%	0.1%	-	-	-	-	-								E	
Of which transitional		712	3.6%	3.6%														T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
				EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	10,540	53.6%	EL	EL	N/EL	N/EL	N/EL	N/EL									
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	-	-	EL	EL	N/EL	N/EL	N/EL	N/EL									
Sale of second-hand goods	CE 5.4	5,841	29.7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Dat-driven solutions for GHG emissions reductions	CCM 8.2	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Non-life insurance: underwriting of climate-related perils	CCA 10.1	12	0.1%	N/EL	EL	N/EL	N/EL	N/EL	N/EL									
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		16,394	83.3%	53.6%	0.1%	-	-	29.7%	-									
A. Turnover of Taxonomy-non-eligible activities (A.1. + A.2.)		19,115	97.2%	62.8%	0.1%	-	-	34.3%	-									
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy-non-eligible activities		554	2.8%															
TOTAL (A. + B.)		19,669	100.0%															

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation	9.2%	62.8%
Adaptation to climate change	9.1%	62.7%
Water	0.0%	-
Circular economy	4.7%	34.3%
Pollution	-	-
Biodiversity	-	-

Table 25: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

Economic activities	Code	Turnover	Proportion of Turnover, year 2024	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum Safeguards	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity			
		in millions of €	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	4,386	24.7%	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	YES	YES	NO	YES		T
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	9	0%	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	NO	YES	NO	YES		
Data-driven solutions for GHG emissions reductions	CCM 8.2	2	0%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	YES	E	
Acquisition and ownership of buildings	CCM7.7./CCA 7.7	-	-	YES	YES	N/EL	N/EL	N/EL	N/EL	YES	YES	NO	NO	NO	NO	YES		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		4,397	24.7%	24.7%	-	-	-	-	-									
Of which enabling		2	0.0%														E	
Of which transitional		1,230	6.9%															T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
				EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	13,237	74.5%	EL	EL	N/EL	N/EL	N/EL	N/EL									
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	-	-	EL	EL	N/EL	N/EL	N/EL	N/EL									
Data-driven solutions for GHG emissions reductions	CCM 8.2	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Acquisition and ownership of buildings	CCM7.7./CCA 7.7	21	0.1%	EL	EL	N/EL	N/EL	N/EL	N/EL									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		13,258	74.6%	74.6%	-	-	-	-	-									
A. CapEx of Taxonomy-non-eligible activities (A.1. + A.2.)		17,655	99.3%	99.3%	-	-	-	-	-									
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of Taxonomy-non-eligible activities		124	0.7%															
TOTAL (A. + B.)		17,779	100.0%															

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation	24.7%	99.3%
Adaptation to climate change	24.7%	99.3%
Water	-	-
Circular economy	-	-
Pollution	-	-
Biodiversity	-	-

Table 26: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

Economic activities	Code	Turnover	Proportion of Turnover, year 2024	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum Safeguards	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
in millions of €	%																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	168	12.8%	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	YES	YES	NO	YES		T
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	-	-	YES	YES	N/EL	N/EL	N/EL	N/EL	NO	YES	NO	NO	YES	NO	YES		
Dat-driven solutions for GHG emissions reductions	CCM 8.2	-	-	YES	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	YES	E	
Acquisition and ownership of buildings	CCM 7.7./CCA 7.7	-	-	YES	YES	N/EL	N/EL	N/EL	N/EL	YES	YES	NO	NO	NO	NO	YES		
Sale of second-hand goods	CE 5.4	-	-	N/EL	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	NO	NO	YES	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		168	12.8%	12.8%	-	-	-	-	-									
Of which enabling		-	-														E	
Of which transitional		58	4.4%															T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
				EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL	EL ; N/EL									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5	1,095	83.1%	EL	EL	N/EL	N/EL	N/EL	N/EL									
Operation of personal mobility devices, cycle logistics	CCM 6.4/CCA 6.4	-	-	EL	EL	N/EL	N/EL	N/EL	N/EL									
Dat-driven solutions for GHG emissions reductions	CCM 8.2	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Acquisition and ownership of buildings	CCM 7.7./CCA 7.7	21	1.6%	EL	EL	N/EL	N/EL	N/EL	N/EL									
Sale of second-hand goods	CE 5.4	33	2.5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		1,150	87.2%	84.7%	-	-	-	2.5%	-									
A. OpEx of Taxonomy-non-eligible activities (A.1. + A.2.)		1,318	100.0%	97.5%	-	-	-	2.5%	-									
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
OpEx of Taxonomy-non-eligible activities		-	-															
TOTAL (A. + B.)		1,318	100.0%															

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation	12.8%	97.5%
Adaptation to climate change	12.8%	97.5%
Water	-	-
Circular economy	-	2.5%
Pollution	-	-
Biodiversity	-	-

Table 27: Nuclear and fossil gas related activities

Line	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

5 Own workforce

The workforce is made up of Arval employees, who numbered nearly 8,800 as of 31/12/2024, the majority of whom are on permanent contracts (98%).

Strategy: Arval places people at the heart of its strategy.

The Human Resources function plays a central role in the deployment of this vision in favour of people, by supporting employees in their personal and professional development. In view of the double materiality assessment conducted by Arval, material impacts, risks and opportunities have been identified relating to Arval's workforce and are described below.

Policies: Arval details all the policies put in place in favour of its workforce to deal with these impacts, risks and material opportunities.

Actions: Arval describes remedial actions to mitigate material impacts and risks and seize material opportunities in connection with its employees, including in particular the promotion of an inclusive culture, the prevention of discrimination, harassment and violence at work, social protection, the prevention of psychosocial risks, actions in favour of professional equality, civil society and skills development.

Targets and metrics: Arval sets itself the objectives that have been made as commitments in the Worldwide Agreement as well as the social responsibility objectives of the CSR dashboard. The metrics detailed below correspond to data on Arval's workforce, their characteristics, movements as well as all data relating to the working conditions of its employees (employment conditions, working hours, wages, social dialogue, social protection, work-life balance, health and safety) and the equal treatment of employees (professional equality, training and skills development, persons with disabilities, diversity, measures against violence and harassment).

5.1 Material impacts, risks and opportunities and their interaction with strategy and business model

As a responsible employer, Arval ensures that the rights of its workers, including employees and temporary workers, are respected. It is committed to ensuring that workers benefit from a healthy and fair working environment.

The diversity of Arval's business model means that its workers are subject to varying levels of risk, depending on the local geographical context and the profession in which they operate.

Arval conducted a comprehensive impact assessment to identify the material negative impacts that could affect its workers, as well as the material financial risks and opportunities for Arval.

This assessment took into account feedback from internal and external stakeholders, including in particular employees, NGOs, customers and investors.

The risk assessment was also based on an internal analysis of the risks related to the workforce as reported by Arval's various businesses and geographies, combining risk events and risk factors.

The negative impacts and material risks identified are not a direct result of Arval's strategy. Arval nevertheless remains vigilant about the interests and points of view of stakeholders who could be affected.

Material impacts identified by Arval

The evaluation thus highlighted negative impacts linked to isolated cases:

- **discrimination, inequality and exclusion:** in some cases, Arval employees may occasionally be confronted with situations of discrimination at certain points in their professional career, such as recruitment, performance evaluations, promotions, remuneration reviews;
- **violence and harassment at work:** relationships between colleagues can, occasionally and in some cases, degenerate into situations of verbal or physical violence, or harassment. Arval employees may also be exposed to these risks in the short term in their interactions with customers and other external stakeholders, in the form of incivility towards them.

The evaluation also highlighted potential negative impacts:

- **in terms of employee social protection:** as public social protection programmes do not systematically exist in all the countries where Arval operates, the lack of measures could potentially have a negative impact on Arval employees.

Material risks identified by Arval

Arval has identified two material risks that are likely to have negative financial and reputational impacts:

- **Psychosocial risks:** Recent changes in working methods and rapidly changing environments are likely to increase the pressure on employees at work, which can be exacerbated by inappropriate managerial behaviour. These factors can have short-term consequences on employees' occupational health, increase psychosocial risks and possible *burnouts*. These changes in work patterns, including the increase in teleworking, can also increase the risk of a sedentary lifestyle and associated diseases;
- **HR legal risks:** risks related to respect for people, including discrimination and harassment, as well as risks related to the poor performance of a contract may lead to disputes with Arval employees. Legal recourse taken by employees for these reasons can result in significant legal fees for Arval, which can have financial impacts for Arval.

Material opportunities identified by Arval

Arval has identified several material opportunities driven by its *People Strategy*, corresponding to the indicators of its social responsibility in the CSR dashboard:

- **Opportunities in terms of gender diversity:** the promotion of gender diversity, in particular within management bodies and senior management populations, promotes a balanced and inclusive working environment that contributes to the creativity and commitment of employees and consequently to Arval's attractiveness and overall performance;
- **Opportunities in terms of work-life balance:** the introduction of solidarity hours promotes a balance in life-time work. This system allows employees who wish to do so to devote time to civil society, promotes a supportive work environment and contributes to commitment, attractiveness and well-being at work.
- **Skills development opportunities:** Training and skills development programs promote employee satisfaction and retention, thereby reducing external recruitment costs for Arval. These programs also make it possible to strengthen the skills of employees according to the needs of tomorrow. This reinforcement has the additional consequence of increasing the employability and internal mobility prospects of employees. All these elements contribute overall to increasing Arval's organisational performance.

Table 28: Summary of the links between material IRO and policies, actions, metrics and targets

Category	Title of the material IRO	BNP Paribas policies implemented within Arval	BNP Paribas actions implemented within Arval	Metric	BNP Paribas targets (or monitoring indicators) set up within Arval
Negative impacts	Discrimination, inequality and exclusion	<ul style="list-style-type: none"> • Code of Conduct • Worldwide Agreement • Respect for People Policy • Governance Diversity • Arval's Diversity, Equity & Inclusion Commitment Charter • Compensation Policy 	Inclusion initiatives	<ul style="list-style-type: none"> • Characteristics of the undertaking's employees • Collective bargaining coverage and social dialogue • Diversity metrics • Decent wages • Persons with disabilities • Training and skills development metrics • Work-life balance metrics • Compensation metrics • Incidents, complaints and severe human rights impacts 	Percentage of women in Senior Management Position (SMP) population worldwide: 35% in 2026 ⁶³
	Workplace Violence and Harassment	<ul style="list-style-type: none"> • Code of Conduct • Worldwide Agreement • Respect for People Policy • Sanctions for misconduct • Remuneration policy • External recruitment policy • Governance Diversity Procedure • Ethics Whistleblowing System 	<ul style="list-style-type: none"> • Confidential reporting system for incidents of discrimination and harassment • Remedial actions (disciplinary and support measures, post-investigation follow-ups) 	<ul style="list-style-type: none"> • Characteristics of the undertaking's employees • Characteristics of non-employee workers in the undertaking's own workforce • Health and safety metrics • Incidents, complaints and severe human rights impacts 	Monitoring indicator on the number of "Respect for People" alerts and the number of sanctions
	Partial social protection for employees	<ul style="list-style-type: none"> • Worldwide Agreement • Code of Conduct • Personal and Property Safety Policy 	<ul style="list-style-type: none"> • Worldwide Agreement • Social measures and <i>We Care programme</i> • Ethics whistleblowing system • Social protection 	<ul style="list-style-type: none"> • Characteristics of the undertaking's employees • Collective bargaining coverage and social dialogue • Social protection • Health and safety metrics • Work-life balance metrics 	100% of employees covered by listening and psychological support systems

⁶³ SMP are positions identified and validated by governing bodies of Core businesses / Métiers / Transversal and integrated Functions as having an important impact at Group level.

Category	Title of the material IRO	BNP Paribas policies implemented within Arval	BNP Paribas actions implemented within Arval	Metric	BNP Paribas targets (or monitoring indicators) set up within Arval
Risks	Psychosocial risks	<ul style="list-style-type: none"> Worldwide Agreement European Agreement on the Prevention of Stress at Work 	<ul style="list-style-type: none"> We Care Programme Respect for People Programme Workplace Stress Measures Training and Awareness Programmes on Mental Health and Psychosocial Risks Employee Assistance Programme 	<ul style="list-style-type: none"> Characteristics of the undertaking's employees Health and safety metrics 	100% of employees covered by listening and psychological support systems
	HR Legal Risks	<ul style="list-style-type: none"> Code of Conduct Worldwide Agreement External Recruitment Policy Remuneration Policy Diversity Governance Career Paths Policy 	<ul style="list-style-type: none"> Preventive actions in terms of respect for people Managerial training 	<ul style="list-style-type: none"> Characteristics of the undertaking's employees Incidents, complaints and severe human rights impacts 	Monitoring indicator on the number of "Respect for People" alerts and the number of sanctions
Opportunities	Gender diversity	<ul style="list-style-type: none"> Governance Diversity Worldwide Agreement Sustainable Sourcing Charter 	<ul style="list-style-type: none"> Programme <i>Women in IT</i> Raising awareness (<i>OneInThreeWomen</i>) 	<ul style="list-style-type: none"> Characteristics of the undertaking's employees Diversity metrics Training and skills development metrics Work-life balance metrics Compensation metrics 	<ul style="list-style-type: none"> Percentage of women in Senior Management Position (SMP) population worldwide: 35% in 2026⁶⁴ Percentage of women in the IT sector: 31% in 2026 and 35% in 2030
	Work-life balance	<ul style="list-style-type: none"> Worldwide Agreement 	<ul style="list-style-type: none"> Programme #1MillionHours2Help 		<ul style="list-style-type: none"> Number of solidarity hours

⁶⁴ SMP are positions identified and validated by governing bodies of Core businesses / Métiers / Transversal and integrated Functions as having an important impact at Group level.

Category	Title of the material IRO	BNP Paribas policies implemented within Arval	BNP Paribas actions implemented within Arval	Metric	BNP Paribas targets (or monitoring indicators) set up within Arval
	Skills development	<ul style="list-style-type: none"> • Career path policy 	<ul style="list-style-type: none"> • Competence management • Skills management tool • <i>Career Days</i>, continuous development • <i>About Me</i> platform • Internal mobility • Training initiatives 	<ul style="list-style-type: none"> • Targets related to managing material negative impacts, risks and opportunities • Characteristics of the undertaking's employees • Training and skills development metrics 	<ul style="list-style-type: none"> • Rate of employees who have completed at least 4 training courses: 99% • Average yearly hours of training per employee: 17 hours

With more than 200 employees worldwide, Arval's Human Resources (HR) department is based on an organisation with an HR function at Group level and local HR at the regional and entity level. In particular, the Group HR function defines policies and the employees of the HR department are responsible for leading and implementing these HR policies at the local level.

5.2 Impacts, risks and opportunities management

5.2.1 Policies related to own workforce

Through its commitments, Arval places particular emphasis on human rights, occupational health and safety, and diversity, equality and inclusion. Respect for the human rights of employees is a central pillar of Arval's CSR strategy, supported by various international commitments and standards. By fostering an inclusive and respectful work environment, the company aims to improve the well-being of its employees, ensure work-life balance, and prevent discrimination and risks related to health and safety and harassment.

The table below is a summary of the company's key workforce policies. These policies cover all employees, knowing that, given the activities, no so-called "vulnerable" populations within the meaning of the regulations have been identified that can benefit from specific policies.

Table 29: Summary of the own workforce policies

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for implementing the policy	Interaction with stakeholders
Code of Conduct	The Code of Conduct sets out the rules of conduct that apply to all BNP Paribas activities and employees, including Arval's workforce.	Applicable to all BNP Paribas employees, including Arval employees	The General Management at Group level and the Chairman and Chief Executive Officer at Arval level	The Group's Code of Conduct is available on the Group's intranet and on the BNP Paribas website ⁶⁵ . It is available in 20 languages
Policy for the safety of people and property	Establishes the general framework for safety, security, business continuity and crisis management activities for BNP Paribas and its subsidiaries, including Arval.	Applicable to the entire Group and its subsidiaries, including Arval, and any partners and service providers	The General Management and the Security of People and Property department of BNP Paribas, and the Chairman and Chief Executive Officer at Arval	The policy is only distributed internally
Policy for the deployment of the Worldwide Agreement, fundamental rights, and the global social pillar	Contains the commitments made by the Group to its employees, including Arval's workforce, and its Group-wide deployment on the following 7 topics:1. Human rights, social dialogue and trade union rights2. Social and environmental responsibility3. Employment and skills management4. Gender equality in the workplace5. Respect for People, Non-discrimination 6. Equal Opportunities, Diversity and Inclusion 7. Global Social Pillar	Applicable to the entire Group (applied locally as such) and to all its entities, including Arval	HR Director BNP Paribas and HR Director Arval	The policy is disseminated internally and accessible on the BNP Paribas website. The Group agreement it is implementing is published on the BNP Paribas website ⁶⁶
The Group's policy on respect for people	Describes the system of BNP Paribas and its entities, including Arval, to prevent and detect actions that do not comply with the Code of Conduct concerning "Respect for Persons", as well as to collect and process alerts on this subject. Describes in particular the single alert system, as well as the role of the social partners in the HR pillar of the Vigilance Plan.	Applicable to all of BNP Paribas and all its entities, including Arval	HR Director BNP Paribas and HR Director Arval	The policy is only distributed internally
Penalties for misconduct	Defines the general principles applicable to the management of the disciplinary sanction process imposed on an employee. The policy covers breaches such as fraud, but also other punishable breaches, such as inappropriate behaviour such as denigration, harassment or discrimination.	Applicable to the entire Group and applied locally by the entities, including Arval, depending on the legislative context in terms of employment law applicable in each of the countries in which the Group is established	HR Director BNP Paribas and HR Director Arval	The policy is only distributed internally
Diversity and Inclusion Governance Procedure at BNP Paribas	Contains a presentation of BNP Paribas' Diversity & Inclusion Governance organisation set up within the Group and all its subsidiaries, including Arval, around 5 pillars. Constitutes the vector by which Diversity and Inclusion are structured within the Group, and identifies the formalization of recruitment and	Applicable to the entire Group and all its entities, including Arval	HR Director BNP Paribas and HR Director Arval	The procedure is only published internally, and the Diversity and Inclusion policy for the Group is detailed on a dedicated page on the

⁶⁵ https://cdn-group.bnpparibas.com/uploads/file/220131_bnpp_compliance_codeofconduct_2022_fr.pdf

⁶⁶ https://uniglobalunion.org/wp-content/uploads/2024-11-04_Accord-sur-socle-social-mondial_FR-small.pdf

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for implementing the policy	Interaction with stakeholders
	career management decisions as the main tool for preventing the risk of discrimination.			BNP Paribas Corporate website ⁶⁷ and internally
Arval's Diversity, Equity & Inclusion Commitments' Charter	Describes a common referencing on Diversity, Equity & Inclusion for all Arval employees.	Applicable to all Arval countries	Chairman and Chief Executive Officer, Arval	The Charter of Commitments is published on Arval's Corporate website ⁶⁸ and is disseminated as an internal policy
External recruitment policy for Group employees	The objective is to present the organisation and guiding principles for the external recruitment of BNP Paribas employees and its entities.	Applicable to the entire Group and all its entities, including Arval	HR Director BNP Paribas and HR Director Arval	The policy is only distributed internally
BNP Paribas Employee Career Path Policy	Aims to establish the framework for managing the career paths of employees within BNP Paribas and its subsidiaries, including Arval, by defining the standards for the associated processes, activities and key moments. It guarantees: <ul style="list-style-type: none"> - the adequacy of employees' professional projects with the needs of the company; - the identification and appreciation of skills and talents; - the identification of development needs; - the evaluation and recognition of individual and collective performance; - commitment and motivation through a variety of development opportunities within the Group. 	Applicable to the entire Group and all its entities, including Arval	HR Director BNP Paribas and HR Director Arval	The policy is only distributed internally
Remuneration policy	Defines the general principles of remuneration of the Group and its entities as well as the remuneration policy applicable to employees subject to specific regulatory provisions: in particular employees identified within the Group as significant risk takers	Applicable to the entire Group and all its entities, including Arval	The General Management, the Group HR Director and Arval's HR Director after validation of the policy by the Remuneration Committee of the Board of Directors of Arval	The policy is disseminated internally; it is communicated externally in a report published annually on the BNP Paribas Corporate website ⁶⁹
Sustainable Sourcing Charter	Sets out the reciprocal commitments between BNP Paribas and its suppliers, in particular respect for human rights and labour rights.	Applicable to the entire Group and all its entities, including Arval	Commitments monitored as part of the governance of BNP Paribas' Engagement Department and Arval's Procurement & Performance Department	The charter is available on the BNP Paribas website as well as on the Arval website ⁷⁰

⁶⁷ <https://group.bnpparibas/nos-engagements/inclusion/diversite-egalite-et-inclusion>

⁶⁸ [ARVAL DIVERSITY, EQUITY & INCLUSION COMMITMENTS CHARTER](#)

⁶⁹ <https://invest.bnpparibas/document/remunerations-des-collaborateurs-dont-les-activites-professionnelles-ont-une-incidence-significative-sur-le-profil-de-risque-du-groupe-au-titre-de-2023>

⁷⁰ [sustainable_sourcing_charter_eng.pdf](#)

1. Mechanisms addressing cross-cutting human rights impacts, risks and opportunities

Arval:

- undertakes, in line with BNP Paribas' principles, to promote respect for human rights in its sphere of influence and to treat all its workers with dignity: forced labour is prohibited within Arval;
- respects, inter alia, the ten principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, human rights standards (internationally accepted as defined in the International Bill of Human Rights) and core labour standards (as defined by the International Labour Organization⁷¹);
- demonstrates that the Group complies with the highest standards of conduct and ethics, in the fight against corruption, respect for human rights and environmental protection, regardless of its activities, through the Code of Conduct⁷², the "BNP Paribas and Human Rights" pillar document and the Worldwide Agreement signed with UNI Global Union⁷³.

Risks of modern slavery and human trafficking and risks relating to Arval employees

It is now well established, through multiple studies and surveys, that all sectors, industries and regions can be impacted, to varying degrees, by serious human rights violations including modern slavery and human trafficking. Aware of this reality, Arval implements risk assessment policies that take into account various factors (sector, industry, geography of supply chains, products and services). These policies are regularly updated in order to respond effectively to this complex issue.

The risk assessment process set up by Arval, in conjunction with that of BNP Paribas, integrates these dimensions to better understand the various contexts in which its stakeholders operate. This process is enriched by continuous monitoring of human rights issues and by regular exchanges within BNP Paribas' teams.

In addition, Arval, a signatory to the Worldwide Agreement on Fundamental Rights at Work, reaffirms its commitment to abide by international conventions, including those of the International Labour Organization (ILO), covering in particular the prohibition of forced labour, child labour and modern slavery.

Risks relating to Arval employees

The risks of modern slavery and human trafficking are considered very low in Arval's operations. No public study has identified the mobility and leasing services sector, to which Arval belongs, as being particularly exposed to these practices, in particular given the profile of the employees, who are mostly highly qualified professionals. However, Arval, in line with its commitment to human rights and

⁷¹ The ILO's fundamental Conventions are as follows:

C029 - Forced Labour Convention, 1930 (No. 29)

C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)

C100 - Equal Remuneration Convention, 1951 (No. 100)

C105 - Abolition of Forced Labour Convention, 1957 (No. 105)

C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

C138 - Minimum Age Convention, 1973 (No. 138)

C155 - Occupational Safety and Health Convention, 1981 (No. 155)

C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)

C187 - Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)

⁷² Including the interest of clients, financial security, market integrity, conflicts of interest, professional ethics, respect for colleagues, protection of the Group, commitment to society, and the fight against corruption and influence peddling.

⁷³ Signed in 2018; a new agreement was signed in 2024.

alignment with the BNP Paribas Code of Conduct, is committed to ensuring a motivating work environment in which all employees are treated fairly and respectfully. In particular, it focuses on:

- respect for all employees;
- the need to apply the highest standards of professional ethics;
- the rejection of all forms of discrimination.

In line with the Group's policies, Arval includes an annual review of countries considered to be at risk in terms of respect for human rights, as well as a follow-up of employees under the age of 18. Arval has no employees under the age of 18 as of 2024.

In addition, with regard to temporary workers integrated into Arval's workforce, the company ensures, in particular through the Sustainable Sourcing Charter, that its suppliers respect the principles of the Universal Declaration of Human Rights (adopted by the UN in 1948) and the fundamental Conventions of the International Labour Organization (ILO). To ensure the implementation of the Charter, suppliers undertake to provide the necessary supporting documents and to welcome auditors, internal or external, mandated by independent third parties to verify compliance with the Charter.

Although Arval considers the risk of human rights violations within its workforce to be very low, the company provides its employees with a remediation system. The latter includes anonymous reporting channels and a whistleblowing mechanism accessible to Arval employees as well as to the entire Group and the value chain⁷⁴.

2. Mechanisms addressing impacts and risks related to occupational health and safety at work (violence, harassment, climate impact, psychosocial risks, etc.)

In accordance with the principles of the Group's Code of Conduct, safety in the workplace at Arval (including during business travel) involves the commitment of each employee to actively contribute to the safety and security of the workplace as part of daily activities, and to comply with the company's internal policies; for managers, to seek to improve the working conditions of their teams and the reporting of any situation that may represent a threat to the physical safety of an employee or an external person on Arval's premises.

All Arval employees and people on a site (interns, work-study students, temporary workers, subcontractors, customers, visitors, etc.) benefit from a reference corpus in terms of the safety of people and property, which was the subject of an external audit in 2021 at Group level. This framework aligns with the core principles:

- security (with regard to risks related to deliberate or malicious acts likely to harm Arval's people or assets and activities);
- security (with regard to natural and climatic events, or related to the technological environments of its sites that may harm people or Arval's assets and activities);
- business continuity and crisis management.

This framework, approved by the management of BNP Paribas and Arval, is deployed country by country by local management. Arval's security and safety functions organise and manage measures designed to preserve, through a constant risk analysis approach, the integrity of Arval's activities, its resources and its interests against security and safety events affecting the company. The health and safety conditions of each of Arval's sites comply with the regulations applicable in the various countries.

Given the nature of Arval's activities and the measures put in place, the real risks related to the health and safety of employees are relatively low, with a limited number of occupational accidents⁷⁵. The main

⁷⁴ For more information on the scheme, see 5.2.3 Process to remediate negative impacts and channels for own workers to raise concerns.

⁷⁵ For more information, see section 5.4.1 Health and safety metrics.

risks to employees' health that may be linked to possible accidents relate to psychosocial and sedentary risks. Arval has therefore selected mental health and health issues related to sedentary lifestyles as health priorities, as part of the new Worldwide Agreement and the *We Care* Group health programme.

3. Addressing diversity, equality and inclusion impacts, risks and opportunities

At the heart of the "Ethics and Inclusion" pillar of BNP Paribas' HR strategy and applicable to all entities, including Arval, the company has made commitments to promote ethics and inclusion, and to encourage respectful, non-discriminatory and exemplary behaviour.

These commitments are reflected in particular through the application of the principles of the Group's Code of Conduct, the Worldwide Agreement and the Sanctions for Misconduct Policy. These anti-discrimination and diversity policies implemented by Arval relate to:

- professional equality between women and men;
- emotional orientation and gender identity;
- diversity of origins and multiculturalism;
- age diversity, and
- disability.

Arval strictly complies with these legal requirements.

These are major challenges for Arval. Diversity in all dimensions, and in particular gender, while respecting the differences of each person, contributes to the enrichment, creativity and commitment of all, and therefore to Arval's overall performance. By reflecting the diversity of society, Arval better understands the needs of its customers. Maintaining and promoting an inclusive and respectful work environment is essential to attracting, developing, and retaining all talent. Arval's collective performance and long-term economic development are based on the commitment of its employees.

Remediating the risks of discrimination and promoting an inclusive culture

Specifically, Arval has made strategic commitments to prevent, mitigate and remedy the risks of discrimination (including harassment), and to promote an inclusive culture. The following actions are in line with the Group's commitments, while being adapted to Arval's specific characteristics:

- Since Arval joined BNP Paribas' initiatives, including the signing in 2004 of the first Diversity Agreement at Group level, the measures have been enriched with each renegotiation to cover all stages of employees' career paths. In France, Arval applies the principles of the 5th Agreement on Diversity and Inclusion of BNP Paribas SA, which entered into force on 1 October 2020 and is applicable until March 2029. Through social dialogue, Arval is committed to defining actions in favour of diversity, signing agreements on professional equality between women and men, the integration and retention of disabled employees, as well as the employment of seniors. Arval also ensures that the situation of staff representatives is addressed in the context of union negotiations;
- at the international level, Arval actively supports BNP Paribas' commitments, such as the 2014 European Agreement on Gender Equality in the Workplace, which includes all the key elements of the Group's and Arval's policy in this area. These agreements are complemented at Group level by the signing of the United Nations *Women's Empowerment Principles* ("WEPs") (2011), the International Labour Organization's Global Network Charter on Business and Disability (2016), the United Nations LGBT Standards (2017) and the *OneInThreeWomen* Charter (2018);
- the Worldwide Agreement signed in 2024, with innovative elements in terms of parenthood and the fight against domestic and intra-family violence.

Diversity, equality and inclusion are also priorities for Arval's Executive Committee, with support from leadership. The personal commitment of Arval's General Management is reflected in particular in its

contribution to several initiatives such as Arval's DE&I Commitments Charter and BNP Paribas' #JamaisSansElles Charter.

Arval sets up awareness-raising actions and training modules to deconstruct stereotypes and promote professional equality, particularly for managers.

In order to raise awareness among all employees, the mandatory Conduct Journey training, deployed by BNP Paribas, has included a "Diversity, Equality & Inclusion" module dedicated to non-discrimination since 2023. This module, aimed at all Arval employees, addresses unconscious biases and stereotypes through examples of situations that can affect employees or candidates during recruitment. In 2025, Arval will provide awareness programmes on stereotypes and unconscious bias to all its employees.

In 2024, all Arval SMPs took part in the e-learning on the Arval DE&I Charter.

Commitment to fair and inclusive treatment in HR processes

These commitments are embodied on a daily basis, particularly during the major stages marking the career of employees, such as recruitment, training, mobility, compensation review and career development.

Arval employees are required to:

- ensure fair treatment of candidates during the recruitment process;
- systematically base their judgement on objectively assessed skills;
- to guarantee equal opportunities; and
- to define the conditions of remuneration in a fair and equitable manner. The titles and terms used are chosen to allow everyone to apply, regardless of gender. The selection process is based on criteria of competence, qualification and experience.

With regard to fair treatment in professional assessments, Arval follows the career path policy, which establishes the framework to ensure that all its employees have the same opportunities for professional development, based solely on skills, experience, performance and professional qualities.

In addition, in accordance with BNP Paribas' remuneration policy, the salary review process at Arval is guided by the general principle of equal treatment, and the need not to introduce any discriminatory criteria, in particular gender, in accordance with the applicable regulations.

Implementation of policies in the event of incidents of discrimination

To implement these policies, Arval implements the specific procedures established by the Group to prevent, mitigate and correct discrimination, while promoting diversity and inclusion.

A confidential reporting system has been set up to allow employees to report any incidents of discrimination or harassment⁷⁶. Each report is analysed and may conclude that a thorough investigation is required. Appropriate disciplinary and/or corrective action is then taken, based on the findings of the investigation.

In the event of proven acts of violence at work, discrimination or harassment, appropriate measures are taken. Medical, psychological, social, managerial and HR support is offered to victims, as well as referrals from third parties to support them legally if necessary.

5.2.2 Processes for engaging with own workers and workers' representatives about impacts

As part of its due diligence process, Arval engages directly with its employees and their representatives on the material impacts that affect them or could affect them. This dialogue with workers is based on

⁷⁶ For more information on reporting channels and support measures, see section 5.2.3 Processes to remediate negative impacts and channels for own workers to raise concerns.

several tools, the description and quality assessment of which can be found in section 1.2.2 *Interests and views of stakeholders*.

This dialogue is overseen by Arval's governance bodies, which are responsible for monitoring the management of material impacts, risks and opportunities.

As an extension of the commitments made in 2018 by the Group with UNI Global Union in the Worldwide Agreement⁷⁷, the Group has renegotiated a new agreement which was signed in November 2024 for a period of 4 years. This agreement is concluded with the contribution of the European Federation of Executives of Credit and Financial Institutions (FECEC); members of the European Group Works Council Bureau; representative trade unions at the BNP Paribas Group level in France.

This agreement covers seven topics relating to fundamental rights at work and the establishment of a global social pillar, applicable to all Group employees, including Arval's workforce. In Chapter 1, it deals in particular with Social Dialogue within BNP Paribas and, in Chapter 2, with the whistleblowing process.

5.2.3 Processes to remediate negative impacts and channels for own workers to raise concerns

General approach and remediation procedures

Arval has set up an ethics whistleblowing system, governed by the Group Whistleblowing System procedure, in accordance with the provisions of the Sapin II and Wasserman laws⁷⁸. This system allows employees to report, in good faith, crimes, offences, threats, serious harm to the public interest, serious violations of international standards or violations of the Group's Code of Conduct. When a material negative impact on employees is identified, Arval undertakes to provide or contribute to an appropriate remediation, and to evaluate the effectiveness of the measures taken in this regard.

Specific channels set up to exercise the right to alert

Arval is very attentive to the concerns of customers, employees, shareholders, suppliers and society as a whole. Arval is committed to listening, understanding and seeking to address the concerns raised by its stakeholders, in a fair and effective manner.

Thus, Arval employees are required to report any actual or suspected breach of the Code of Conduct, the Group's policies and procedures or regulations. They can send their report via a single secure platform on all subjects, including those relating to respect for people. Any suspicion by an Arval employee of a serious or potentially serious violation of human rights, fundamental freedoms, health, safety of persons and the environment may be reported according to this alert system, except in the case of regulations prohibiting it at the local level. The whistleblowing system is also accessible to external third parties on BNP Paribas' institutional website.

System for processing reports related to respect for persons

Arval offers a system for processing reports, developed by BNP Paribas, carried out by whistleblowers in terms of professional behaviour contrary to the provisions relating to respect for persons, including cases of discrimination and moral or sexual harassment. Reports are treated confidentially and follow a structured investigation process carried out by Arval's HR Conduct referents and by Arval and/or BNP Paribas HR.

Finally, Arval undertakes , as soon as facts are proven and after objective investigations, to take disciplinary and/or corrective measures, individual or collective, adapted in their content and

⁷⁷ For more information on the content of this agreement and its implementation within the Group, see in particular sections 5.2.1 Policies related to own workforce and 5.2.4 Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions in this report.

⁷⁸ For more information on this topic, see section 7 Business conduct, 7.1.1 Corporate culture and business conduct policies.

conforming to local regulations.

Support and follow-up are provided for victims and can also be offered to perpetrators of inappropriate behaviour.

Evaluation and control of the process of the effectiveness of listening to employees

Controls

The right to alert system is subject to control plans. First-level checks are carried out by BNP Paribas Compliance, to verify access to whistleblowing channels as well as compliance with confidentiality and whistleblowing procedures. Second-level checks are carried out by an independent team to assess the effectiveness of the implementation of the alert system.

In addition, the control system of the HR function makes it possible to follow up on historical incidents that have occurred and may have an impact on employees. Depending on the incidents reported, action plans are implemented, which may include a reinforcement of controls when necessary.

Report to the General Management and the Board of Directors of BNP Paribas

A detailed report on alerts is produced semi-annually by the Group referent, including data provided by Arval. This report covers all alerts received, with quantitative and qualitative analysis of the data. It is presented annually to the Compliance Committees, the Executive Committee of BNP Paribas and the Board of Directors of BNP Paribas.

Employee survey

Finally, the Group and its subsidiaries, including Arval, regularly conduct employee surveys to assess employees' level of knowledge and trust in the mechanisms for reporting and, where appropriate, remedying their concerns. In addition to the Group and central function surveys, Arval conducts surveys of its employees in all countries 3 times a year. For example, the results of the 2023⁷⁹ Conduct & Inclusion survey showed a high level of employee adherence to the values and behaviours set out in the Code of Conduct on the Conduct side. In addition, 92% of respondents say they have "a good knowledge" of the channels that allow them to raise alerts.

5.2.4 Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To respond to material impacts, Arval implements various actions aimed at preventing, mitigating and correcting the negative effects on its employees:

- the promotion of an inclusive culture;
- prevention of discrimination, harassment and violence at work;
- a strong social protection framework.

To respond to material risks, Arval implements actions including:

- a conducive working environment to prevent psychosocial risks;
- the global programme for health and well-being at work, *We Care*.

Finally, to support material opportunities, Arval is implementing numerous actions in terms of:

- professional equality;

⁷⁹ Group survey conducted every 2 years among all Group employees: employees on permanent contracts of more than 3 months, 175,000 employees surveyed in 2023 and more than 90,000 respondents.

- promoting work-life balance by encouraging its employees to devote time to civil society;
- training and skills development to ensure the employability of Arval employees.

The actions implemented are most often part of a short-term approach, as they are an integral part of the processes and cycles deployed annually by the HR function (listening to employees, training actions, performance evaluation, compensation review process, internal mobility, preventive health and well-being actions at work, etc.).

Promoting an inclusive culture

The Inclusion Days

Awareness campaigns around inclusive culture intensified in 2024, with a wide range of formats, both face-to-face and online: interactive conferences, round tables, podcasts, screenings and rebroadcasts.

During the month of October 2024, the HR Diversity, Volunteering, BNP Paribas Foundation, Engagement and employee networks teams highlighted professional equality, prejudices and stereotypes, role models, intergenerational, volunteering, disability, financial and digital inclusion, mentoring, health and well-being at work. This 2024 edition, aimed at all Arval employees in its 29 countries of operation, including France, confirms its great success, with the organisation of several dozen events and solidarity actions.

The 2023 Conduct & Inclusion survey: broad employee support for BNP Paribas' Diversity & Inclusion policy

Listening to employees, with the second edition of the *Conduct & Inclusion* survey, showed in 2023 a broad adherence of Arval employees to the BNP Paribas Group's Diversity & Inclusion policy.

With slightly lower results and an overall positive opinion rate of 83% on the *Inclusion* component of the survey, 86% of respondents said they "can be themselves at work without worrying about how they are accepted." Two points are more in the background: equal opportunities in professional development and a more critical perception of fairness during the recruitment and promotion processes. Specific action plans were implemented in 2024 in four countries with declining results (Belgium, Denmark, the Netherlands and France) with BNP Paribas cross-functional projects in conjunction with Arval, relating to intergenerational.

Preventing discrimination, harassment and violence in the workplace

As part of the "respect for people" policy aimed at preventing discrimination, harassment and violence at work, Arval, in conjunction with BNP Paribas, has implemented several actions, including information and awareness-raising measures for employees and managers as well as professionalisation of the Human Resources sector.

Prevention actions include:

- a reminder of the Code of Conduct's principles of respect for people, with a mandatory biannual awareness-raising module;
- a module entitled "Diversity, Equality & Inclusion" dedicated to non-discrimination (with different situations of harassment), included in the mandatory Conduct Journey training addressing unconscious biases and stereotypes. Arval also provides awareness programmes on stereotypes and unconscious bias for almost all employees⁸⁰;
- the assignment of an annual target relating to compliance with the Code of Conduct to all Arval employees, which allows managers to evaluate their employees during their professional evaluation and to report any lack of respect for people;
- raising awareness of the importance of reporting any abnormal situation and presentation of

⁸⁰ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

whistleblower protections as well as a reminder of the whistleblowing channels and whistleblowing procedures, including post-investigation and disciplinary measures;

- training managers on their roles and duties according to the Code of Conduct, as well as on bottom-up and top-down communication, particularly in a hybrid work context, and the Group's Management Principles⁸¹ reaffirming the pivotal role of the manager as a relay of its strategy. These actions are adapted to local regulations to guarantee optimal protection of Arval employees.

Remediation actions include several steps:

- Collection of alerts relating to respect for persons: alerts are made via a single, secure platform called and accessible to Arval employees as well as to the entire value chain, including external ones. Before accessing it, employees can contact a trusted person to discuss their difficulties. This person of trust can be their manager or another manager, their HRBP or any person in the HR line, a Diversity, Equity and Inclusion referent, a social or medical contact, a staff representative, when these people exist locally or via the alert channel of the Compliance function. Arval guarantees the strict confidentiality of the identity of the author of the report, the persons involved in the report and the information collected;
- Initial alert analysis: An immediate analysis of the alert is performed to assess the situation and determine the appropriate course of action. If necessary, temporary emergency measures are taken, such as a change of working environment, a change of hierarchical attachment, the offer of social and/or medical support;
- Interviews and investigations: interviews with the alleged victim and other persons involved are carried out in order to establish the facts alleged in the alert;
- investigation report: if an investigation has been carried out, a detailed report is drawn up and validated, presenting the findings on the situation;
- Restitution of the findings: during an interview with the alleged victim and a separate interview with the person concerned, the statement of the facts noted, whether corroborated or not, is presented to them.

Remediation actions include several steps:

- disciplinary and support measures: as soon as the analysis of the alert and the investigations carried out have established inappropriate behaviour or situations requiring action, appropriate measures are taken, mainly individual with regard to the perpetrators of inappropriate behaviour, including disciplinary measures;
- support measures can also be put in place for the whistleblower, the alleged victim, the person targeted and the work group: a proposal for a change of position or manager, HR support for the group, managerial support, medical and/or psychosocial support, mediation, new awareness of the Code of Conduct and the provisions on respect for people;
- monitoring over time and protection against retaliation: the people who have been involved in the handling of the alert are subject to appropriate follow-up by the HRBP⁸² and managers. Whistleblowers in good faith are protected from retaliation.

Strong and enabling social protection framework

Arval implements various initiatives and actions, in particular through the Worldwide Agreement, in order to continuously improve the well-being and social protection of its employees:

- Establishment of a minimum social base that offers additional social benefits adapted to local regulations and practices through its 2018 Worldwide Agreement, in addition to legal and contractual provisions: employees benefit from social protection in terms of reimbursement of health, disability, disability and death expenses;

⁸¹ Five management principles: the manager federates and gives meaning, he is customer-oriented, he promotes inclusion and compliance with the Code of Conduct, he supports and empowers in awareness of the risks, and he promotes transversality and agility.

⁸² HRBP: Human Resources Business Partner, HR Manager, Individual HR Manager.

- minimum social protection base relating to maternity leave and flexible days. The new 2024 Agreement strengthens this protection by guaranteeing a minimum of 6 days of paid paternity leave and childcare leave. Depending on the case, this coverage comes from either a state or an insurance scheme, or a combination of the two, depending on the regulatory context of each business and country;
- creation of a joint committee responsible for monitoring the implementation of this agreement and the commitments made, identifying good practices and, where appropriate, actions to promote them. It also meets to contribute to the continuous improvement of the HR component of the Group's vigilance plan, applicable to Arval.

An overall review of the implementation of the 2018 Worldwide Agreement is carried out annually. In particular, it highlighted the strengthening of the global social pillar since its signing: 100% of employees can benefit from paid maternity leave of a minimum of 14 weeks, and almost all employees can benefit from disability/disability/death and health care coverage. In addition, in accordance with the recommendations of the 2018 Worldwide Agreement, 85%⁸³ of employees can now benefit from paid paternity leave of at least 6 days.

We Care programme

Since 2022, BNP Paribas has launched a global programme for health and well-being at work, called *We Care*, under the aegis of the Group Chief Human Resources Officer. Arval, as a subsidiary of BNP Paribas, also applies this programme to all its employees.

This programme offers, in addition to the elements of the minimum social base of the Worldwide Agreement resulting in insurance schemes: death, disability, disability, health, and minimum maternity and paternity leave, a harmonisation of health through:

- a listening and psychological support system;
- a preventive health check-up offering allowing employees to take control of their own health, and BNP Paribas and Arval to build appropriate health prevention plans;
- support for employees with long-term illnesses.

This programme focused in 2024 on 3 components:

1. Mental health issues through a listening and psychological support system, with the implementation of several initiatives to prevent and mitigate potential negative impacts on its employees:

- *Employee Assistance Programmes*: 77% of Arval Group employees are covered by these schemes, in order to better manage their mental health on a daily basis or in the event of traumatic events (terrorist attack, climatic event, etc.). The objective is to guarantee total coverage for all Group employees as included in the new 2024 Worldwide Agreement;
- programmes for employees in all crisis situations: psychological support is provided by a company specialising in psychosocial risks to employees wherever they need it⁸⁴, including in France with a psychological support telephone line in the event of serious events within a team;
- training actions related to the prevention of stress at work: the European Agreement on the Prevention of Stress at Work signed in January 2017 defines principles and a common base, but also specifies the means to be implemented (information, awareness-raising, evaluation, training, support, communication). Arval also provides its employees ⁸⁵in the countries where it operates with training activities related to the prevention of stress at work.

⁸³ Based on data collected from local HR experts in charge of social protection issues, covering 95% of the Group's total workforce.

⁸⁴ Examples: Ukraine, New Caledonia.

⁸⁵ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

2. **the harmonisation of health practices, with the offer of preventive health check-ups**, on a voluntary basis. This assessment will allow the employee, via a digital questionnaire, to answer questions relating to his or her mental and physical health. They will receive a written summary that will allow them to assess their overall health and receive appropriate advice. In certain more high-risk situations, employees will be offered a digital appointment with a health professional. This assessment will be offered in France at the beginning of 2025 and gradually rolled out in countries that wish to do so;
3. **the harmonisation of health practices with the support of long-term illness** through a *We Care* kit, in order to free up speech and propose a change of posture towards openness, respect and benevolence; This kit is made up of several documents for several types of contacts: the employee affected by the disease, his manager, his colleagues, his HR, the caregivers. It covers the phases of notification of the disease, treatment, preparation for the return to work and long-term return. This kit has already been the subject of a variation in France through sheets available on the intranet and a film. Portugal, Italy and Spain are in the finalisation phase to offer it to their employees by the beginning of 2025.

A working environment conducive to the detection of psychosocial risks

Managers play a crucial role in the prevention of psychosocial risks, by detecting their manifestations and organizing appropriate actions. They are on the front line to observe certain unusual signs and changes in attitude in employees, such as changes in individual behaviour, intense emotional reactions, isolation within the work group, lack of concentration or overinvestment in work. Managers should also pay attention to comments in professional evaluations that indicate dysfunctions or relationship difficulties.

Manifestations can also concern the work group and be detected indirectly, via information from a social or medical representative, a colleague or a member of the team, or following interventions by the labour inspectorate or regulatory authorities. Collective signs include an atypical frequency of individual reports of psychosocial risks and/or alerts, a high frequency of visits to prevention and occupational health services, a high or increasing rate of absenteeism, increased turnover, or an increase in complaints and litigation initiated by employees.

Remedial actions focus on the analysis of the manifestations of psychosocial risks and on the implementation of appropriate actions to solve the problems identified. This includes the follow-up of reports from employees and the organisation of corrective actions by managers in collaboration with occupational health services. Thus, a psychological assistance system allows you to benefit from permanent listening and psychological support, in the event of professional or personal difficulties.

The effectiveness of BNP Paribas and Arval's actions and initiatives is monitored through several key indicators such as absenteeism rates, turnover rates and the results of employee satisfaction surveys. Employee feedback is taken into account via internal barometers (Pulse or Quality of Life at Work surveys), direct feedback or HR alerts.

The Group and Arval measure, through an annual survey in France, the level of stress and well-being of their employees. The rates measured in 2024 show an increase in satisfaction with the quality of life at work, demonstrating the positive impact of the action plans put in place (training, transparent sharing of organisational changes, development prospects, *We Care* programme, etc.). The stress rate has fallen slightly within Arval France (-6 pts vs 2023) and the well-being rate has increased slightly in 2024 (+0.37 pts vs 2023).

In order to prevent psychosocial risks related to mental health and sedentary lifestyles specific to the banking and insurance sector, appropriate advice and measures are offered.

Employees have access to procedures and/or awareness-raising programmes on the assessment and prevention of psychosocial risks for all employees, and related to a sedentary lifestyle (musculoskeletal

disorders) for more than 99% of employees⁸⁶.

In addition, entities covering 94% of Arval's workforce offer public health awareness campaigns, including information and prevention actions⁸⁷.

In France, topics such as sleep, physical activity, nutrition, stress and addictions, disabling diseases, cancers, musculoskeletal disorders, women's and men's health are addressed during the awareness campaigns deployed⁸⁸.

Finally, Arval is continuing to adapt its working methods, with a teleworking system in a hybrid working mode, adopted by BNP Paribas and applicable to Arval, the principles of which are taken up by the new Worldwide Agreement and can be specified locally (for example in France via a Group agreement that would be applicable to Arval), with particular attention to the preservation of social ties and work collectives. At the end of December 2024, around 93% of Arval's employees in Europe were teleworking (on average 2 days a week). BNP Paribas supports its employees, in particular with prevention actions (in the form of guides, booklets and training offers) for managers and employees aimed at helping to maintain social ties, to fight against sedentary lifestyles or digital fatigue, and to promote work-life balance.

Significant actions in the field of professional equality

BNP Paribas has set itself ambitious gender diversity objectives, particularly in senior management⁸⁹, set for 1 or 2 years, with intermediate milestones measured annually.

With 79 nationalities in its workforce, Arval has been promoting diversity of origins and professional equity for several years.

In addition, 31.5% of the Group's managers are women, and around a third of managers of managers (middle management) are women⁹⁰.

In line with the strategic plan and in line with BNP Paribas' desire to develop and promote women's career paths, the Group is committed to gender diversity in structurally unbalanced business lines, particularly in terms of recruitment and retention.

Regarding the IT professions, BNP Paribas, including Arval, aims to be one of the champions in recruitment and the share of women in this sector. Since 2020, the Group has been pursuing the development of its global gender diversity programme for IT professions, entitled "Women in IT", for which a new ambition has been set for 2024: 35% of women in the IT sector⁹¹ across the Group by 2030, with a milestone of 31% by the end of 2026. As of 31/12/2024, the IT sector has 90 women, i.e. 24% (25% as of 30/12/2024).

As part of its policy of professional equality between women and men, BNP Paribas and its subsidiaries, including Arval, have been committed to the fight against gender-based violence since 2018. Because it mainly affects women and inevitably impacts professional life, gender-based violence is both a factor of inequality at work and an obstacle to professional equality between women and men.

Since 2018, BNP Paribas has been a member of OneInThreeWomen, the first European network of companies committed to combating violence against women, and joined its Executive Committee on 1 January 2021. The OneInThreeWomen network aims to equip employers to raise awareness and better support female employees.

In line with the commitment of BNP Paribas and its subsidiaries, including Arval, to the fight against economic domestic violence, the Group offers employees who are victims of this violence HR support, that of social support and the listening system. This topic has been the subject of a specific innovative

⁸⁶ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

⁸⁷ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

⁸⁸ On the perimeter of BNP Paribas SA.

⁸⁹ For more information, see section 5.3 Metrics and Targets

⁹⁰ 84% are women among the non-managerial population.

⁹¹ With nearly 18,000 people at Group level.

commitment by the Group, by including in the new Worldwide Agreement signed in 2024 the fight against domestic and intra-family violence.

A pioneer among CAC 40 companies and the financial sector by signing the #JamaisSansElles Charter in 2019, BNP Paribas is continuing its mobilization and has nearly 700 signatories (70% of whom are men), from management bodies in more than twenty countries, committed to no longer participating in round tables with at least three speakers and which would not include the presence of at least one woman. After 5 years of the Group's commitment, BNP Paribas remains the CAC 40 company with the largest number of #JamaisSansElles signatories in France and worldwide.

Work-life balance: actions in favour of civil society

Arval intends to act for more sustainable and better shared growth by enabling its employees to commit to civil society, by contributing during their working hours to the efforts of associations for a more inclusive and ecological world. Thus, the global solidarity programme #1MillionHours2Help structures Arval's ambition to act in favour of civil society (NGOs, associations) by highlighting the skills of its employees.

The programme includes the end-of-career skills sponsorship scheme, which is part of the BNP Paribas SA Diversity and Inclusion Agreement in France, which has been extended until March 2025.

In 2024, a total of 26,061 hours of work or recovered hours were carried out for solidarity actions in favour of civil society as part of the #1MillionHours2Help programme, a total of more than 73,000 hours since the beginning of the Arval Beyond strategic plan.

Finally, in July 2023, BNP Paribas, including Arval, signed an agreement with the Ministry of the Armed Forces in France reaffirming its commitment to employees who are part of the operational reserve. In October 2024, BNP Paribas also signed an agreement with the Ministry of the Interior to promote the availability of its employees serving as volunteer firefighters. In addition to the legal provisions, BNP Paribas authorises its reservist employees and volunteer firefighters to be absent from their working hours for up to 15 working days per calendar year, so that they can fully commit to their civic mission, while maintaining their full salary.

Skills development and employability enhancement

The Group supports employees in a context of profound transformation in the mobility sector. This support takes the form of anticipating skills needs, setting up training and development programmes adapted to the professions and jobs of tomorrow, and implementing an active internal mobility policy.

Competence management and anticipation of tomorrow's needs

To support Arval's transformation and employee development on the various pillars of BNP Paribas and Arval Beyond strategic plan:

- new skills had been created on sustainable finance, with a new Sustainability professional family in 2023. In 2024, in the tech sector, nearly 150 new skills related to the mastery of digital and technological tools have been created in the fields of artificial intelligence, data and IT. A new page dedicated to skills has been made available to employees, managers and HR to identify the skills acquired, those to be developed and self-assessment. At the end of this self-assessment, the employee can select the skills to be completed in their *About Me* profile and feed into their Personal Development Plan; the Strategic Workforce Planning exercise, a joint approach between HR and the business lines aimed at identifying skills needs over a three-year period, makes it possible to offer employees adapted paths (skills development or retraining). in particular towards jobs in short supply and the skills of tomorrow. These exercises have also made it possible to create a new offer, called "JobBoost", aimed at employees wishing to retrain for positions in short supply, via an immediate start date combined with work-study training in their new job. The first promotions were implemented

in 2023 in the areas of IT and HR, and in 2024 in project management.

- In France, in particular to meet its shortage of employment needs, Arval has maintained its commitments in 2024 in terms of training and integration of young people, by recruiting more than 98 work-study students (172 in 2023) and 182 interns (190 in 2023) in 2024, to which have been added 9 VIE students on assignment (8 in 2023).

Development on the job: the importance of time for discussion between employees and managers

At the heart of career path management and at the service of employees, managers and HR, the *About Me* platform aims to:

- Identify the skills of all employees: Group-wide, in December 2024, 7,334 employees (approximately 97% of whom were women) declared their skills.
- to support employees in their development and professional development;
- to streamline interactions between employees, managers and HR, thus promoting cross-functional mobility;
- to complete the annual professional evaluation process⁹².

The professional evaluation process, which is systematic for all employees⁹³, is digitized and simplified in the *About Me* tool: it starts at the beginning of the year with the definition of individual, collective and/or cross-functional objectives. These objectives must be clear, achievable, time-bound, measurable, and adapted to the nature of the activity and the responsibility of the position. The practice of feedback as you go along helps to identify needs in terms of skills development throughout the year and to enrich the Personal Development Plan.

The annual appraisal interview is a focussed exchange between the employee and their manager: it allows us to take stock of the past year in relation to the objectives set, to define development opportunities and to project ourselves into the year to come.

Career development

Internal mobility is anchored in Arval's culture. It is an essential vector for the development of skills *on the job*. In 2024, Arval recorded **1,670** mobilities, **8.28%** of which were transversal.⁹⁴

In order to support the professional development of employees, BNP Paribas offered the second edition of the Career Days in 2024, deployed in Arval's 29 countries, which enabled employees to gain a better understanding of the Group, assess their skills and training needs, and work on their career plans. With a strong acceleration in participation in 2024, more than 27,800 participants took part in more than 800 events around artificial intelligence, tech, agile, sustainable finance, with sessions also focused on skills, vacancies and HR tools.

Forging a culture of continuous development

Strengthening the learning culture and improving the training experience remain the 2 major pillars of Arval's continuing education strategy. This strategy is also based on Strategic Workforce Planning exercises. This approach makes it possible to support and anticipate skills development, in line with the needs of employees, while supporting *BNP Paribas' strategic plan and People Strategy*.

The strategic plan has positioned Technology and Sustainability as development priorities.

Regarding the Technology axis, several cross-functional training actions, at the initiative of BNP Paribas and Arval, have made it possible to support the development of all employees as well as experts,

⁹² For more information on tracking employee training and skills development activities, see section 5.4 Training and skills development metrics.

⁹³ Employees eligible for an annual performance appraisal are only permanent employees on permanent contracts who joined Arval before 30 June of the year (recruited before this date). Those recruited after this date will be evaluated in the following period.

⁹⁴ Cross-functional mobility corresponds to internal inter-entity and inter-business group mobility.

with a more focused angle this year on AI and generative AI in addition to Data.

To measure its development in skills in the technological field, Arval monitors the following indicator: the number of Group employees who have completed at least 7 hours of training in the technological field is 458 in 2024 (426 in 2023).

Regarding the Sustainability axis⁹⁵, the Sustainability Academy, launched at the end of 2022, continues to develop. In 2024, a strong emphasis was placed on training employees on an "S-Basics" module, allowing a solid appropriation of sustainable finance as well as a continued deployment of the Climate Fresk internationally.

In 2024, 2,037 employees took at least one Sustainability Academy training course, with an average of 1.6 hours of training per person. Since its launch at the end of 2022, nearly 130,000 BNP Paribas Group employees have been trained as part of the Sustainability Academy.

In addition, as part of the Sustainability Academy, the teams are mobilized by participating in frescoes⁹⁶, in the form of collaborative workshops facilitating the transition to action. They have thus made it possible to raise awareness among employees in 15 countries, the Executive Committees of entities and countries as well as shareholders about climate and biodiversity issues. 734 employees (294 employees in 2023) participated in these workshops in 2024.

Development programmes dedicated to leaders and talents

Finally, as Arval's leaders (Top Executives (Leadership for Change (LfC), Senior Management Position ("SMP"), Talents (Leaders for Tomorrow (LfT)) are key to contributing to the success of BNP Paribas' strategic plan, a global training offer is offered to them, in particular on Sustainability issues.

These issues are all the more important for them as Arval's top management benefits from the Group's loyalty plan⁹⁷, 20% of the amount paid of which is conditional on the achievement of the Group's ESG objectives.

Thus, more than 206 talents have benefited from dedicated development schemes, in particular on understanding strategic sustainability issues. In addition, nearly 60% of Top Executives benefited from certification programmes in sustainable finance in 2024.

Since the launch of the Talents programme, the share of women in this population has increased from 32% in 2015 to 45.7% in 2024, creating a pool that is essential for gender diversity in management bodies⁹⁸. In 2024, 13.3% of Top Executive positions were sourced from Talents.

Resources allocated to managing these material impacts

The 200 employees of the HR department rely on an organisation with an HR function at the global level and local HR at the level of the 29 countries and on a governance with an Executive Committee at the level of BNP Paribas, bringing together twice a month the Group managers of the function as well as the HR managers of Arval and the other main businesses and territories.

The roles and responsibilities of each person within the sector between the Group and Arval are defined in a charter. The Group's HR function is responsible for defining the *People Strategy* as well as all HR policies (recruitment, career path, training, evaluation, compensation, diversity, respect for people) in compliance with laws and regulations; it is also responsible for supporting the HR sector within Arval and other businesses and territories in their deployment and implementation. Arval's HR is responsible for their deployment and implementation, while listening to its employees and partners alongside the business lines in order to ensure the implementation of its own strategy.

⁹⁵ This has been included in the commitments to social and environmental responsibility in the new World Agreement.

⁹⁶ Frescoes of Climate, Biodiversity, Circular Economy, Mobility and 2tonnes Workshop.

⁹⁷ For employees subject to special regulatory provisions, this loyalty plan is adapted, in accordance with the requirements of the European CRD Directive.

⁹⁸ SMP LfC G100 ExCo.

Arval's employees in the HR sector are also responsible for leading and implementing policies on the promotion of diversity, health, quality of life at work, prevention of psychosocial risks, treatment of behaviour that does not comply with the Code of Conduct, and respect for people, in particular via the HR Conduct referents. They are also responsible for managing the impacts of the HR policies put in place, in particular by deploying the generic control plan for the function and managing HR risks at Arval. Finally, they are implementing all the actions at Arval level to control them.

5.3 Metrics and targets

5.3.1 Targets related to managing material negative impacts, risks and opportunities

To reduce the negative effects of psychosocial risks, Arval aims to ensure that all employees are covered by listening and psychological support systems.

In addition, the objective is to ensure that all Arval employees, wherever they are, benefit from the commitments and guarantees established by BNP Paribas as part of the new Worldwide Agreement.

Arval has set itself targets of 35% gender diversity at all levels of senior management in the company, whether at the level of the Group's Executive Committee, the Leadership for Change (LfC) population or the Senior Management Position (SMP) population. Arval has set itself the goal of reaching 35% women by 2026. In addition, Arval has also adopted two other social indicators, which are part of the CSR dashboard, to meet the challenges of attracting and retaining talent.

The three social responsibility indicators defined by Arval and the progress made by Arval are presented in the table below. Targets have been set for 2026 on these commitments, and interim measures to achieve the targets are tracked and reported annually.

Table 30: Presentation of the social responsibility indicators defined by Arval

Pillar	Indicators	2024	2026 Target
Social	Percentage of women in Arval's SMP ⁹⁹ (Senior Management Position) population worldwide	32%	35%
	% of country General Managers having sustainability objectives linked with their remuneration	Not measured before 2025	100%
	Average yearly hours of training per employee	22	17

These objectives have been defined by considering:

1. the objectives of gender diversity of management bodies as required in particular by French legislation by 2029;
2. the share of country directors integrating a sustainable development objective into their variable compensation;
3. the average number of hours of training per employee per year.

⁹⁹ SMP are positions identified and validated by governing bodies of Core businesses / Métiers / Transversal and integrated Functions as having an important impact at Group level.

These topics and some of these indicators are monitored as part of the implementation of the Worldwide Agreement signed with the UNI Global Union.

5.3.2 Characteristics of the undertaking's employees

The employees detailed below concern all Arval employees with a fixed-term employment contract ("FTC") or an employment contract of indefinite duration ("PTC").

However, they do not include interns or work-study students. In 2024¹⁰⁰, there were 90 interns (84 in 2023), including 85 in France (120 in 2023 in France), and there were 178 work-study students, exclusively in France (100%) (156 at the end of 2023, exclusively in France (100%). The latter benefit from the same working conditions as employees on fixed-term contracts.

The workforce (fixed-term and permanent contracts) is accounted for where they carry out their activities and where their cost is incurred. They are managed quarterly by the HR teams and are presented to BNP Paribas' General Management based on the data tracked in a Group tool and following a data validation process by each of the Group's Business Lines and Functions. They are recorded at the end of the period (tables 29 to 38 below).

Staff

Table 31: Employees by region

Years	2024	2023
Regions	Staff ¹⁰¹	Staff
EMEA ¹⁰²	8,360	8,211
Asia Pacific		
Americas	365	353
TOTAL	8,725	8,564

Table 32: Employees by country (representing more than 10% of the total workforce)

Years	2024	2023
Country	Staff	Staff
France	2,176	2,137
Italy	1,195	1,217
Spain	931	909
Subtotal of the three countries	4,302	4,263
TOTAL	8,725	8,564

More than 25% of Arval's workforce is in France.

At the end of 2024, Arval is present in 29 countries (29 countries in 2023). The increase in headcount, up 1.88% (in FTEs) compared to 2023, is mainly due to the increase in Arval's activities.

¹⁰⁰ Inventory at the end of period.

¹⁰¹ Physical headcount at the end of the period.

¹⁰² Europe, Middle East, Africa.

Table 33: Employees by type of contract, broken down by region (headcount & FTE)

	2024			2023		
	EMEA	Americas	Total	EMEA	Americas	Total
Total						
Headcount	8,360	365	8,725	8,211	353	8,564
FTE	8,160	365	8,525	8,018	353	8,371
Number of permanent employees (PTC)						
Headcount	8,190	360	8,550	7,943	349	8,292
FTE	7,994	360	8,354	7,759	349	8,108
Number of temporary employees (fixed-term contracts FTC)						
Headcount	170	5	175	268	4	272
FTE	165	5	170	259	4	263

More than 95% of Arval's employees are in the EMEA region. Within this EMEA region, nearly 95% of employees operate in Europe.

The vast majority of Arval employees are on permanent contracts (nearly 98%). Arval does not have any employees with unguaranteed hours.

Table 34: Employees by work rhythm broken down by region (headcount)

	2024			2023		
	EMEA	Americas	Total	EMEA	Americas	Total
TOTAL	8 360	365	8 725	8 211	353	8 564
Full-time employees	7,557	365	7,922	7,298	353	7,651
Part-time employees	803		803	744		744

In France, Arval has maintained its commitments to the integration of young people in 2024 by recruiting nearly 98 work-study students and more than 182 interns, in addition to 9 VIE students on mission.

Table 35: Employees by type (headcount & FTE)

Gender	2024		2023	
	Headcount ¹⁰³	FTE ¹⁰⁴	Headcount	FTE
Men	4,282	4,253	4,240	4,215
Women	4,443	4,271	4,324	4,156
Not disclosed	-	-	-	-
TOTAL	8,725	8,525	8,564	8,371

At the end of 2024, 51% of Arval's employees were women and 49% were men.

Table 36: Employees by type of contract, broken down by gender (headcount & FTE)

	2024				2023			
	Men	Women	Not disclosed	Total	Men	Women	Not disclosed	Total
Number of employees								
Headcount	4,282	4,443		8,725	4,240	4,324		8,564
FTE	4,253	4,271		8,525	4,215	4,156		8,371
Permanent employees (PTC)								
Headcount	4,189	4,361		8,550	4,088	4,204		8,292
FTE	4,162	4,192		8,354	4,067	4,041		8,108
Temporary employees (fixed-term contracts FTC)								
Headcount	93	82		175	152	120		172
FTE	91	79		170	148	115		263
Number of non-guaranteed hours employees								

Nearly 95% of Arval's employees work in Europe, in the EMEA region (Europe, Middle East, Africa).

Table 37: Employees by work rhythm broken down by gender (headcount)

Gender	Men	Women	Total	Men	Women	Total
TOTAL	4,282	4,443	8,725	4,240	4,324	8,564
Full-time employees	4,136	3,786	7,922	4,003	3,648	7,651
Part-time employees	146	657	803	112	632	744

¹⁰³ Physical headcount at the end of the period.

¹⁰⁴ FTEs: Full-time equivalents, these are the headcount (end of period) in full-time equivalent, i.e. they are accounted for in proportion to their contractual working time. All figures are rounded to the nearest integer (an FTE working at 80% counts as 0.8).

In 2024, 803 employees will work part-time, i.e. 9.51% of Arval's workforce (8.7% in 2023). 52% of them work part-time at 80% or more (47% in 2023). In total, 3% of men and 15% of women are affected by a part-time schedule.

Movements

Arval recruited 958 employees on permanent contracts worldwide in 2024 (-12.2% compared to 2023), including 85 in France. For the first year, Spain becomes the leading recruiting country with 10.3% of the total, followed by Slovakia (9.8%), the United Kingdom (9.5%), Poland (9.1%) and France (8.9%).

Two-thirds of the permanent offers are available to young people entering the labour market. In 2024, more than 808 employees under the age of 30 under all contracts were recruited worldwide, including 378 under the age of 25 (permanent contracts, fixed-term contracts, work-study students, interns).

Table 38: Departures (PTC)¹⁰⁵

	2024			2023		
	Men	Women	Total	Men	Women	Total
Total	379	313	692	468	328	796
Voluntary departures	210	173	383	264	203	467
Retirement	15	13	28	15	8	23
Dismissal	39	24	63	81	48	129
Other departures	115	103	218	108	69	177

Table 39: Outflows by region

		2024	2023
EMEA	Total	643	695
	Africa	15	9
	Europe (excluding France)	557	581
	France & Overseas	71	105
Americas	Total	49	101
	South America	49	101

The decrease in departures in 2024 (13.05%) is mainly explained by a general decrease in resignations. Of the 692 departures in 2024, more than 600 are in Europe, including more than 44 in France (nearly 40 in 2023), and more than 15 in the rest of the world (nearly 10 in 2023).

¹⁰⁵ Departures correspond to employees (in physical staff and permanent contracts only) who have left the Group during the year.

Table 40: Turnover rate

	2024			2023		
	Men	Women	Total	Men	Women	Total
Turnover rate (headcount)	9.1%	7.3%	8.2%	11.7%	7.9%	9.8%
Turnover rate (FTE)	9.1%	7.2%	8.1%	11.6%	7.9%	9.8%
Voluntary turnover rate (FTE)	5.1%	4.1%	4.6%	6.6%	4.9%	5.8%
Voluntary turnover rate incl. pension	5.4%	4.4%	4.9%	7.0%	5.1%	6.0%

The decline in the turnover rate, also known as the "departure rate", calculated on a like-for-like basis, is mainly due to the sharp drop in the number of voluntary departures and layoffs between 2023 and 2024.

Employment management is carried out within the framework of collective agreements concluded at different levels by the Group and applicable to Arval: worldwide, European and French. In France, in 2022, the new agreement concluded by BNP Paribas on employment and career path management renewed and strengthened the Group's commitments until 2026. Thus, Arval in France does not carry out any forced redundancies, favouring internal mobility and solutions based on volunteering for its projects impacting employment. In other countries around the world, redundancies are exceptional, in line with the 2012 European Agreement on Employment Management (tacitly renewed by three-year period) and with the new 2024 Worldwide Agreement on the part relating to "Employment and skills management".

5.3.3 Characteristics of non-employee workers in the undertaking's own workforce

Workers outside the enterprise, i.e. employees who do not have the status of employees within the enterprise, are those who have either concluded a contract with the enterprise to provide labour ("self-employed workers") or persons supplied by enterprises mainly engaged in "employment activities" (NACE code N78). For Arval, they correspond to workers on assignment with a temporary employment agency, working in the company and present on the last day of the month.

Arval reserves the possibility of using temporary work for the execution of a specific and temporary task. It is only used occasionally to replace employees who are temporarily absent (due to illness, maternity or other) or to cope with a temporary increase in the company's activity.

Table 41: Number of external workers

	2024	2023
Number of external workers	121	112

They represent 121 people in FTEs¹⁰⁶ at the end of 2024, including 22.78 in France.

The increase in the number of temporary workers of 8.04% between 2023 and 2024 is explained by the strategy of reducing the number of hires of employees on permanent contracts since 2023.

¹⁰⁶ Data collected by the Group Finance teams in FTEs at the end of the period.

5.3.4 Collective bargaining coverage and social dialogue

Following on from the 2018 agreement, a new Worldwide Agreement was signed on 4 November 2024 between representatives of BNP Paribas Management and UNI Global Union, with the participation of representatives of FECEC¹⁰⁷, the European Group Works Council and the two representative trade unions at BNP Paribas level in France. This agreement is based on a strong practice of respect for trade union rights, collective bargaining and social dialogue, in particular at European level, through the European Group Works Council and negotiations conducted at this level.

It covers all Arval employees, so 100% of Arval employees are covered by collective agreements.

In addition, BNP Paribas has a European Works Council bringing together employee representatives from entities located in all the countries of the European Economic Area¹⁰⁸, of which Arval is a member.

Table 42: Percentage of employees covered by collective agreements

	2024	2023
% of employees covered by collective agreements	100%	100%

	2024		
	Collective bargaining coverage		Social dialogue ¹⁰⁹
	Employees - EEE ¹¹⁰	Employees - non-EEA ¹¹¹	Workplace representation (EEA only)
Coverage rate			
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	France Italy Spain	EMEA (hors EEE)	France Italy Spain

France is the only country that accounts for more than 25% of Arval's salaried workforce. The EMEA region (excluding EEA countries) is the region that accounts for more than 12% of Arval's workforce.

In 2024, 208 official meetings were held with staff representatives, including 97 in France, illustrating the richness of social dialogue. These meetings led to the signing, in 2024, of 29 company-level collective agreements within Arval, including 8 in France and 19 in the rest of Europe, reflecting the

¹⁰⁷ European Federation of Managers of Credit Institutions and Financial Institutions.

¹⁰⁸ Including the United Kingdom.

¹⁰⁹ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

¹¹⁰ Countries with >50 employees representing >10% of the total number of employees.

¹¹¹ Regions with >50 employees representing >10% of the total number of employees.

quality of collective bargaining.

5.3.5 Diversity metrics

Gender distribution of senior management

Arval has set itself targets of 35% gender diversity at all levels of senior management in the company, whether at the level of the Group's Executive Committee, the LfC or the Senior Management Position (SMP) population. The SMP population is comprised of employees in 112 positions considered to have the greatest impact from a strategic, business, functional and expertise perspective. Gender diversity within this population is one of the social indicators monitored in the CSR dashboard.

Table 43: Gender distribution of senior management

	2024			2023		
	Men	Women	Total	Men	Women	Total
Board Members¹¹²	6	5	11	6	5	11
% of CA	54.5%	45.4%	100%	54.5%	45.4%	100%
Executive Committee Members	11	4	15	12	3	15
% of Executive Committee	73.3%	16.66%	100%	80%	20%	100%
G100 Members	1		1	1		1
% of G100	100%		100%	100%		100%
LFC Name	11	5	16	12	4	16
% of CFL	69%	31%	100%	75%	25%	100%
Number of SMPs	76	36	112	72	36	108
% of SMP	68%	32%	100%	67%	33%	100%

Distribution of employees by age group

In 2024, Arval has 1,204 employees under 30 years old, 5,744 between 30 and 49 years old, and 1,777 employees aged 50 and over¹¹³.

The overall average age is 41.3 years in 2024 (40.8 in 2023), 41.3 years for men and 41.3 years for women. The average length of service is 9.7 years in 2024 (9.5 in 2023), 9.5 years for men and 9.9 years for women.

5.3.6 Decent wages

Arval complies with the minimum wage applicable in all the countries in which it operates.

Regarding the so-called decent wage, Arval defined it as the decent level of salary¹¹⁴ to cover the basic needs of an employee and his family, particularly in terms of housing, food, health, education, transport, means of communication and precautionary savings.

¹¹² CA: Conseil d'administration.

¹¹³ For employees whose gender and age are provided.

¹¹⁴ Only the fixed remuneration for a full-time equivalent working time (excluding overtime).

In order to determine the decent wage in all the countries in which Arval operates, Arval relies on a recognized player in this field, *Fair Wage Network*, which provides decent wage data calculated according to the local context related to the country (or within countries, large cities in which employees work), and different criteria such as the average household size per country (assuming a 2-person household with a number of children based on the fertility rate per country) and the average number of people earning income in the household (country-defined statistics). These decent wages data are updated annually by *Fair Wage Network*, are put in the light of employees' fixed remuneration and serve as the basis for the action plans continuously deployed by the Group and Arval.

In accordance with the new commitment made in the new Worldwide Agreement of November 2024, 100% of Arval employees receive a so-called decent wage according to the above definition¹¹⁵.

In addition to the salary, employees can benefit, depending on the business, from a variable remuneration that rewards quantitative and qualitative achievements measured on the basis of observed performance and individual evaluations, with regard to the objectives set. It is determined in particular according to the results achieved by the business. The salary is also supplemented by a set of benefits to which all Arval employees have access, in accordance with the Worldwide Agreement (see the paragraph *Solid and favourable framework for social protection* in section 5.2.3 *Processes to remediate negative impacts and channels for own workers to raise concerns*).

Among these advantages, the Group has set up retirement and employee savings schemes, in accordance with local legislation and practices. These schemes, applicable to Arval employees, complement the compulsory and statutory schemes to which Arval contributes for its employees (defined benefit schemes or defined contribution schemes).

In France, employees are involved in the Group's performance through profit-sharing and profit-sharing schemes. For the 2024 financial year, an amount of €225.1 million will be distributed to the 63,280 beneficiaries of the companies adhering to the Group Participation Agreement in France, including Arval (compared to €212.6 million to 63,668 beneficiaries in 2023). This amount, based on the Group's results, is calculated on the basis of a derogatory formula and is nearly 6 times higher than the legal formula. It is €8.782 million for Arval in France to 2,581 beneficiaries in 2024 (compared to €8.103 million to 2,543 beneficiaries in 2023).

As far as profit-sharing is concerned, almost all Arval employees in France are covered by a profit-sharing agreement at the end of 2024. Arval's profit-sharing agreement associates employees with the financial and business objectives defined in particular in the framework of the Arval Beyond 2020-2025 strategic plan.

In terms of collective savings schemes, in France, the diversified management offer offered to Arval employees in the Group's savings schemes (PEE, PERECO) – including investment vehicles incorporating ESG criteria, some of which are labelled Socially Responsible Investment ("SRI") – makes it possible to cover the different profiles of savers, the investment horizons, as well as the different levels of risk and geographical areas of investment. In addition, most of the Group's companies in France, including Arval, support their employees' voluntary savings efforts through savings plans (PEE and PERECO) with a matching contribution.

5.3.7 Social protection

Under the Worldwide Agreement, all Arval employees benefit from a generally favourable framework in terms of social protection, in particular with regard to events related to illness and parental leave. For

¹¹⁵ The decent wage is calculated from individual compensation data managed in the Group tool and covers approximately 175,000 employees present in the Group as of 30/09/2024. The remuneration taken into account concerns the fixed remuneration.

other events such as unemployment and retirement, coverage depends mainly on the existence of state schemes in the countries in which Arval operates.

At least 75% of Arval's employees are covered, within the framework of public programmes or benefits offered by the company, by social protection against loss of income due to all events such as illness, unemployment, accidents at work/disability, parental leave and retirement¹¹⁶.

In France, Arval also offers comprehensive supplementary social protection coverage through mandatory employee health reimbursement and flexible disability, disability and death insurance schemes, in the form of a single contract offering each employee the possibility of adapting their coverage to their personal situation.

In addition, flexible *benefits* systems allow employees to define, to a certain extent, their level of coverage on a range of benefits offered focused on long-term employability and offering sustainable choices.

Arval ensures that employees have access to information about benefits, offers and other schemes available to them.

5.3.8 Persons with disabilities¹¹⁷

Table 44: Rate of employees declared to be disabled

	2024			2023		
	Men	Women	Total	Men	Women	Total
% of employees declared to be disabled	2.4%	3.1%	2.8%	2.3%	3.1%	2.7%

As of 31 December 2024, Arval had 209 employees with disabilities in 9 countries, including 65 in France, representing an overall Arval employment rate of employees with disabilities compared to Arval's overall workforce of around 2.8% in 2024 compared to the previous year (2.7% in 2023). 14 employees with disabilities were recruited in 2024.

In France, as part of the renewal of the Disability Agreement for three years (2024-2026), Arval has recruited 1 candidate with a disability. More than 20 job retention actions and nearly 12 awareness-raising actions were also carried out in 2024. The employment rate of employees with disabilities remained at 2.8% in 2024.

¹¹⁶ Based on data collected on government schemes by an external service provider covering 76% of the Group's employees and data collected from Arval HR experts in charge of social protection issues, in particular for corporate schemes.

¹¹⁷ Any limitation of activity or restriction of participation in social life suffered by a person in his or her environment due to a substantial alteration constitutes a disability according to the French definition (Law No. 2005-102 of 11/02/2005 and art. L-114 of the Code of Social Action and Families), or any comparable definition according to the local legislation applicable outside France, of one or more physical, sensory, mental, cognitive or psychological functions, a multiple disability or a disabling health disorder. Data collected in the Social Reporting campaign covering 86% of the FTE workforce managed by Arval as of 31/12/2024, including 100% in France.

5.3.9 Training and skills development metrics

Table 45: Performance appraisal and career development

	2024			2023		
	Men	Women	Total	Men	Women	Total
% of employees who participated in regular performance and career development reviews	97%	97%	97%	98%	98%	98%

The percentage of employees who participated in a performance evaluation was calculated on the basis of the population eligible for an evaluation.¹¹⁸

Table 46: Training

	2024			2023		
	Men	Women	Total	Men	Women	Total
Average number of hours of training per employee	22	22	22	17	18	18
Average number of hours of training per employee (excluding mandatory training)	20	20	20	13	14	14

The average number of hours of training is constantly increasing, due to the improvement of development offers and the employee experience in terms of training courses, in particular with the deployment in 2024 of the Climate Fresk and the Mobility Fresk. Due to the nature of these activities, Arval employees must complete "mandatory" training courses each year, in particular for regulatory reasons, in particular relating to the Code of Conduct.

5.3.10 Health and safety metrics¹¹⁹

Table 47: Health and safety metrics

	2024	2023
Percentage of employees covered by the health and safety management system	95%	100%
Number of deaths due to occupational accidents and diseases	0	0
Number of occupational accidents	17	10
Occupational injury rate (frequency rate: number of accidents per 1 million hours worked)	1.16	0.54
Number of days lost due to work-related accidents, work-related injury deaths, work-related health problems, and health-related deaths (severity rate: number of days lost per 1,000 calendar hours)	0.01	0.01

¹¹⁸ Corresponding to employees eligible for an annual performance evaluation (see above) and present in the About Me tool for the evaluation of their performance, representing 95.4% of the employees compared to the number of employees declared in the section Characteristics of the undertaking's employees.

¹¹⁹ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024, including 100% in France.

In accordance with the law of 2 August 2021, the Group's autonomous Prevention and Occupational Health Service ("SPST") in France, which provides medical follow-up for all Arval employees in France, is subject to an approval procedure issued by the DRIEETS, the ¹²⁰supervisory body that assesses the compliance and quality of the service.

The employee absenteeism rate¹²¹ related to illness, accidents at work (excluding commuting) and occupational diseases was 3.3% for Arval in 2024. It is 2.5% in France, identical to the rate for 2023.

5.3.11 Work-life balance metrics

Under the Worldwide Agreement, all Arval employees are entitled to at least one of the following family leaves: maternity leave, paternity leave, parental leave or caregiver leave.

Table 48: Percentage of employees entitled to and taken family leave

	2024		
	Men	Women	Total
% of employees entitled to family leave	100%	100%	100%
% of employees who have taken such leave ¹²²	8%	14%	11%

The Group is also implementing numerous actions to promote 360° parenthood, applicable to all eligible Arval employees.

In France, for their 12th edition, the "Rendez-vous de la parentalité", attended by many collaborators, was organised around meetings and thematic resources addressing adolescence, early childhood, family and intergenerational solidarity, and neuroatypia¹²³.

Regarding the provisions laid down at Group level and adopted by Arval, in particular in favour of caregivers, the Worldwide Agreement provides for the possibility for Arval employees to take up to five days of flexibility per year for personal convenience. Nearly 51% of the workforce¹²⁴ benefits from a specific policy in favour of caregivers. In addition, other very innovative initiatives exist, such as the Tilia mobile application (developed in intrapreneurship), which offers personal support, functionalities and a useful information space for carers and those being cared for.

In France, BNP Paribas SA and Arval have reached agreements on the donation of rest days to employees who are carers of a seriously ill child or spouse. In addition, the Group has put in place a set of measures to support employee caregivers, including a dedicated support offer from the company's social service that intervenes in the workplace, in various forms: individual support for employees, in complete confidentiality, communication and awareness-raising actions (regular group events, practical guides, etc.), support groups with a psychologist, art therapy workshops as well as partnerships with specialists and internal and external experts.

¹²⁰ Interdepartmental Regional Directorate for the Economy, Employment, Labour and Solidarity.

¹²¹ The absenteeism rate does not include maternity, paternity, adoption and parental leave.

¹²² Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

¹²³ The term "neuroatypia" refers to neurological functioning that differs from the norm.

¹²⁴ Data collected in the Social Reporting campaign, which covers 86% of the FTE workforce managed by Arval as of 31/12/2024 and 100% in France.

5.3.12 Remuneration metrics (pay gap and total compensation)

Gender pay gap

Arval's remuneration policy is based on principles of equity, particularly in terms of gender and transparency, resulting in a single annual review process for all employees.

As regards the overall gender pay gap, it corresponds to the difference between the average level of pay between male and female employees, expressed as a percentage of the average level of remuneration of male employees. It is calculated on all Group employees, regardless of their activity, seniority and geographical location.

Table 49: Gender pay gap

	2024
Gender pay gap (total pay) ¹²⁵	21%
Gender pay gap (fixed pay)	19%

The 21% gap for Arval calculated on total remuneration is mainly explained by the presence of a majority of women in lower-paying positions (administrative management, assistance, etc.) and by the greater presence of men in professions in short supply (e.g. IT) and with higher salary levels.

It should be noted that the Group continues to maintain its strong commitment to equal pay for women and men, in particular by renewing specific measures dedicated to rebalancing unjustified pay gaps.

For several years, measures have been taken locally to reduce the possible pay gap between women and men. Thus, as part of Arval's Mandatory Annual Negotiation ("NAO") in France, since 2022, an annual budget of €220,000 has been devoted to the company's actions aimed at reducing any pay gaps between women and men.

Analyses are presented annually to the Arval Group's General Management at the end of the annual compensation review process to ensure that the various envelopes are adequately distributed between women and men in terms of fixed salary increases, variable compensation or long-term loyalty plans.

For example, for Arval in France in 2024, 23% of women were promoted (vs. 23% of men), and women accounted for 57.8% of employees promoted and 52.6% of employees who received an individual raise¹²⁶.

However, ensuring equal treatment from a gender point of view does not fully reduce the overall pay gap between women and men within Arval, across all business lines and countries.

For several years, Arval has been carrying out numerous actions aimed at structurally improving the representation of women in certain management positions or in certain activities where they are under-represented.

¹²⁵ The gender pay gap is calculated from individual compensation data managed in the Group tool, which covers approximately 8,500 employees at Arval as of 30/09/2024, most of whom are on permanent contracts of indefinite duration. The remuneration taken into account concerns the 2024 gross annual fixed remuneration as well as the gross variable remuneration awarded at the beginning of 2024 for 2023 performance.

¹²⁶ Increases and promotions awarded in 2024 based on Arval's 2,181 employees in France managed in the Group tool as of 30/09/2023.

Ratio of highest to median remuneration¹²⁷

Regarding the ratio between the highest remuneration and the median remuneration of all Arval employees, the diversity of Arval's workforce structure in terms of geographical locations (nearly 30) makes this indicator more relevant when calculated within a country.

Table 50: Ratio of highest to median remuneration by country

Ratio by country	2024	Weight on the overall workforce
France	21	24.9%
Italy	8	13.7%
Spain	11	10.7%
United Kingdom	9	8.8%
Germany	7	5.5%
Belgium	10	5.0%
Netherlands	7	5.7%

Differences in remuneration can be particularly high from one country to another due to market practices, the local cost of living and the nature of the Arval's activities in the different countries.

5.3.13 Incidents, complaints and severe human rights impacts

Table 51: Cases, complaints and serious human rights impacts

	2024	2023
Number of incidents of discrimination, including reported harassment		
Number of complaints filed through channels that allow the own workforce to raise concerns about social issues related to working conditions and fair treatment (excluding discrimination and harassment)	39 (21 in France and 18 outside France)	20 (including 6 in France)
Total fines, penalties and compensation resulting from incidents and complaints (discrimination and harassment)	€0.00	-
Number of serious human rights incidents	-	-

The number reported above for incidents of discrimination (including harassment) as well as other complaints related to social issues corresponds to the number of alerts relating to "Respect for People" reported¹²⁸ via the alert channel by employees or non-salaried workers and processed by Arval's HR Conduct referents.

Thus, in 2024, 39 alerts relating to "Respect for persons" were recorded (20 alerts in 2023). Following the analysis of the alerts and the investigations carried out, appropriate measures were taken, including disciplinary and support measures. In 2024, 0 sanctions were applied (including 0 dismissals), and in 2023, 0 sanctions were applied (including 0 dismissals).

¹²⁷ The median remuneration is calculated from individual remuneration data managed in the Group tool, which covers approximately 8,500 employees at Arval as of 30/09/2024, most of whom are on permanent contracts of indefinite duration. The remuneration taken into account concerns the 2024 gross annual fixed remuneration as well as the gross annual variable remuneration awarded at the beginning of 2024 for 2023 performance.

¹²⁸ The areas covered by the "Respect for Persons" are in particular acts contrary to the principle of non-discrimination, acts constituting moral or sexual harassment, sexist acts, sexual touching, rape, assault, non-compliance with safety rules.

Given the nature of the activities and commitments made by the Group and Arval in the field of human rights, the topic of serious human rights incidents covering forced labour, human trafficking or child labour is not considered material at Arval.

6 Consumers and end-users

This section develops four themes related to consumers and end-users of the products and services offered by Arval: **clear, transparent and non-misleading information, data privacy protection¹²⁹, customer satisfaction, as well as health and safety.**

Arval's consumers and end-users are defined as follows:

- its direct individual customers (individuals, lessees or buyers of second-hand vehicles);
- its beneficiaries, end-users of its services, also known as "drivers", indirect customers benefiting from the services via the companies with which Arval collaborates.

Arval presents hereafter an analysis of the strategy, policies and actions implemented by BNP Paribas and Arval as well as its metrics/targets for consumers and end-user.

Strategy: this section introduces the material impacts, risks and opportunities (IRO) that have been identified in relation to consumers and end-users, as part of the double materiality assessment conducted by Arval. These IRO are put in perspective with Arval's strategy and business model.

Policies: this section presents the policies of BNP Paribas and Arval deployed in relation to consumers and end-users to manage these material impacts, risks and opportunities. These policies are the Code of Conduct, the Personal Data Protection policy, the Protection of the Interest of Clients policy, the Arval Beyond strategic plan and the Target Operating Model ("TOM") for Accident Management.

Actions: on the four themes mentioned above in this section, Arval describes the channels of dialogue in place with its consumers and end-users, as well as those allowing them to raise their concerns. It then details the actions aimed at mitigating the impacts and risks and seizing the opportunities relating to consumers and end-users.

These actions include the deployment of clear, transparent and non-misleading information, the rules for informing the customer in the context of complaints management, the risk management procedure and governance dedicated to the protection of personal data, the Net Promoter System in favour of customer satisfaction, the specific measures taken in favour of road safety as well as cross-cutting training actions for the Group's employees.

Metrics and targets: Arval tracks the driver satisfaction score, which stood at 88.4% at the end of 2024. In addition, Arval has set itself two targets for 2026 related to the topic of road safety: to reduce by 25% the annual liable accidents rate of the fleet compared to January 2020¹³⁰, and to reach 600,000 vehicles with the Arval Connect connected service subscribed by its customers. These last two indicators are included in Arval's CSR dashboard.

¹²⁹ The data privacy protection is a synonym for the personal data protection.

¹³⁰ Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval.

6.1 Material impacts, risks and opportunities and their interaction with strategy and business model

Through the double materiality assessment carried out by Arval and described in section 1 *General disclosures*, 1.3.1 *Description of the procedures for identifying and assessing material impacts, risks and opportunities*, Arval has identified several material impacts, risks and opportunities (IRO) in relation with individual consumers and end-users as defined in the introduction to this section.

Table 52: Summary of the links between material IRO and policies, actions, metrics and targets

Category	Description	Policies	Actions	Metrics and targets
Impact	<p><i>(Negative impact)</i> Impacts related to clear, transparent and non-misleading information: Financial products and services offered to individual customers may result in material negative impacts if the information provided to them is not sufficiently clear and complete. For example, if the pros and cons of a mobility product are not presented in a clear, transparent and balanced manner, customers risk being misled and making decisions that do not align with their needs or financial situation, exposing them to possible financial difficulties. This can be particularly damaging for clients who are financially fragile or less familiar with complex financial products, thus increasing the risk of financial losses. Given the large volume of products and services commercialized by Arval, a lack of information can potentially affect a large number of customers.</p>	<ul style="list-style-type: none"> • Code of Conduct • Policy on the Protection of the interests of clients 	<ul style="list-style-type: none"> • Complaints management process • Conduct Journey trainings • Sustainability training via the Sustainability Academy 	N/A
Risk	<p><i>(Risk)</i> Risks related to the protection of personal data: Arval processes a certain volume of personal information related to its individual customers, such as identification data (e.g. name, ID number, etc.) or contact data (e.g. postal address, e-mail, telephone number, etc.). Arval may face legal and reputational risks resulting from breaches of data protection legislation, such as the violation of the General Data Protection Regulation ("GDPR") in the European Union, and/or risks of loss or theft of confidential information about its individual customers.</p>	<ul style="list-style-type: none"> • Code of Conduct • Policy on the protection of personal data 	<ul style="list-style-type: none"> • Personal data risk management processes • Mandatory training on personal data protection • Protection measures (pseudonymisation, encryption, etc.) • Awareness of cyber risks and personal data breaches 	N/A
Impact	<p><i>(Negative impact)</i> Impacts related to customer satisfaction: customer dissatisfaction is an impact related to a one-off incident and means that Arval has not responded to a customer need. The incident may cover operational issues (e.g. difficulty in accessing the customer area on the internet) or commercial issues (e.g. inadequate sale with advice on a product that is not adapted to the customer's risk profile).</p>	<ul style="list-style-type: none"> • Code of Conduct • Policy on the Protection of the interests of clients • Arval Beyond strategic plan 	<ul style="list-style-type: none"> • Transversal training actions • Monitoring of the Net Promoter System (NPS) and the post-event driver satisfaction score • Analysis and resolution of irritants identified 	Driver satisfaction score

Category	Description	Policies	Actions	Metrics and targets
Impact	<p><i>(Negative impact)</i> Health and safety: Pollution from vehicles, road accidents and other driver safety hazards caused by physical risks due to climate change (flooding, etc.) have negative impacts on the health and safety of consumers.</p>	<ul style="list-style-type: none"> • Code of Conduct • Policy on the protection of personal data • Target Operating Model (TOM) for Accident Management • Arval Beyond strategic plan 	<ul style="list-style-type: none"> • Deployment of Arval Connect telematics • Driver assistance integration (e.g. automatic emergency braking, etc.) into the vehicle fleet • Road safety training, prevention and awareness programmes • ISO 39001 certifications obtained for road safety management 	<p>-25% decrease of liable accidents rate of the fleet in 2026 compared to January 2020¹³¹</p> <p>600,000 vehicles with customers subscribing to the Arval Connect connected service in 2026</p>
Opportunity	<p><i>(Opportunity)</i> Driver safety: Arval can strengthen its competitive position and revenues by offering vehicles with advanced safety features and connected services, and by implementing road safety initiatives for leased car drivers. This approach targets customers who are concerned about the environment and safety, improves satisfaction, reduces accidents, and lowers repair and insurance costs.</p>	<ul style="list-style-type: none"> • Arval Beyond strategic plan 	<ul style="list-style-type: none"> • Deployment of Arval Connect telematics • Driver assistance integration (e.g. automatic emergency braking, etc.) into the vehicle fleet • Road safety training, prevention and awareness programmes • ISO 39001 certifications obtained for road safety management 	<p>-25% decrease of liable accidents rate of the fleet in 2026 compared to January 2020¹³²</p> <p>600,000 vehicles with customers subscribing to the Arval Connect connected service in 2026</p>

Interaction with Arval's strategy and business model

The material negative impacts identified by Arval in relation to its individual customer (clear, transparent and non-misleading information, customer satisfaction and health and safety) are not the result of Arval's strategy. They relate to unintentional defects in the production of its products or services and involuntary negative consequences of its activity.

The material risks identified by Arval in relation to its individual customers relate in particular to situations of failure to comply with a legislation or regulation, loss or theft of data, or an information default in the offered products and services. They are not related to Arval's strategy and business model.

The material opportunities identified by Arval in relation to its customers, relating to driver safety, are derived from the company's strategy. Thus, the CSR dashboard (presented in section 1 *General disclosures, 1.2.1 Strategy, business model and value chain*) includes an indicator on the decrease of liable accidents rate of the fleet.

¹³¹ Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval

¹³² Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval

6.2 Impacts, risks and opportunities management

6.2.1 Policies related to consumers and end-users

To manage the material impacts of its products and services on consumers and end-users, as well as the material risks and opportunities associated with them, Arval has several policies in place which are presented and summarised in the table below. These policies apply to consumers and end-users as defined in the introduction to this section.

Table 53: Summary of the Group's policies relating to consumers and end-users

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation accountable for implementing the policy	Interaction with stakeholders
Code of Conduct	The Code of Conduct sets out the rules of conduct that apply to all activities and employees of the Group.	BNP Paribas	BNP Paribas General Management	The Code of Conduct is available on the Group's intranet and on the BNP Paribas website ¹³³ , and can also be accessed via the Arval website
Policy on the protection of personal data	It governs the Group's strategy in this area, defining the rules for all categories of data subjects (customers, employees, service providers, etc.) and any personal data processing activity, in all BNP Paribas' distribution models.	BNP Paribas	Group Data Office and RISK functions	<p>This policy is only distributed internally</p> <p>Arval also publishes on its website for its customers Notice¹³⁴</p> <p>The notice is available in 17 languages for customers and includes several contacts details to enable dialogue</p> <p>Its purpose is to explain to the customers how Arval processes the personal data and how to exercise their rights</p>
Policy on the protection of the interests of clients	This policy defines the rules of organisation and conduct that must be applied throughout the relationship with the customer, and at all stages of the life cycle of products and services.	BNP Paribas	Compliance function	This policy is only distributed internally. A summary including information on the protection of the interests of customers is available on the BNP Paribas website ¹³⁵
Target Operating Model (TOM) for Accident Management	This policy details the steps to be taken by Arval following a road accident.	Arval	Global Operations Function	This policy is only distributed internally
Arval Beyond strategic plan	This strategic plan sets out actions to promote customer satisfaction and road safety, which is one of the eleven commitments of Arval's sustainability strategy.	Arval	Arval Board of Directors	This strategic plan is available on Arval's website ¹³⁶

¹³³ https://cdn-group.bnpparibas.com/uploads/file/220131_bnpp_compliance_codeofconduct_2022_fr.pdf

¹³⁴ [Privacy Policy | Arval FR](#)

¹³⁵ <https://cdn->

[group.bnpparibas.com/uploads/file/resume_politique_dispositif_global_protection_des_interets_des_clients_bnp_paribas_nov_2021_vf_1.pdf](https://cdn-group.bnpparibas.com/uploads/file/resume_politique_dispositif_global_protection_des_interets_des_clients_bnp_paribas_nov_2021_vf_1.pdf)

¹³⁶ www.arval.com

Regarding the oversight processes, the Group's policies presented in this table are all subject to ongoing and periodic internal controls. The policy on the protection of personal data is also monitored at the level of the Group Data Office and RISK functions.

All of the Group's policies mentioned in the table above are aligned with internationally recognised frameworks applicable to consumers and end-users, including the United Nations Guiding Principles on Business and Human Rights.

Regarding its individual customers, the right to privacy is recognised and integrated into the Group's policy on the protection of personal data and in its internal procedures, applicable to Arval, established in line with European regulations in this area, such as the GDPR. Arval is not aware of any cases of non-compliance with the international principles mentioned above in connection with its individual customers and beneficiaries. In addition, Arval does not identify any serious violations of fundamental human rights of individual clients related to its activities.

A whistleblowing system at BNP Paribas level, placed under the responsibility of dedicated referents within the Compliance and Human Resources functions, depending on the subject, can be activated by BNP Paribas and Arval's external stakeholders, through the "BNP Paribas Whistleblowing Platform" accessible on the Group's website.

The protection of whistleblowers against the risk of retaliation has been strengthened by the French Law No. 2022-401 of 21 March 2022. Any person that needs to know of an alert during its processing is formally committed to respecting the confidentiality of the information relating to the whistleblowers and any person involved. In addition, BNP Paribas guarantees the protection of whistleblowers against the risk of retaliation, and any person considering themselves the victim of retaliation may issue an alert that will be dealt with according to the standards defined by the Human Resources Department. This protection applies to all Arval stakeholders, regardless of the channel used by the whistleblower.

6.2.2 Processes for engaging with consumers and end-users about impacts

Clear, transparent and non-misleading information

BNP Paribas' policy for the protection of the interests of clients defines the following general principles, for which each Arval business line is responsible for the operational implementation:

- The customer must have access to information that is fair, honest, transparent, understandable and not misleading about the products and services, both in form and content, and regardless of the channel or format.
- Prior to the provision of a product or a service, Arval ensures that it provides customers with all the information necessary to enable them to understand:
 - what they buy, including the features, pros and cons of the product or service: any information that does not mention the characteristics of a product or service in a balanced way would be considered misleading;
 - the details of what they pay, i.e. the cost of products, services and advice.
- Information should be provided to customers throughout the product or service lifecycle, when necessary.
- The product or service must be easy to explain and be understood by customers in the market for which the product or service is intended.
- Answers to questions asked by customers must be provided as quickly and as thoroughly as possible.
- Complaints are recorded, tracked and stored in operational information systems. These phases are all recorded locally and reported both locally and centrally by complaints category.

Arval ensures that:

- They comply with local regulations, in particular where they are more restrictive than those of BNP Paribas;
- Implement an internal control system to ensure transparency of information provided to customers and compliance with applicable rules.

Each business function is responsible for implementing this process.

The protection of the interests of clients is the subject of training for the employees concerned, in particular the teams in charge of customer relations and management (see section 6.2.4 *Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions*).

Customer satisfaction

Arval, whose mission is to support consumers in their daily journeys, places the quality of service offered to them as a central issue.

The most significant expectations and needs of its individual customers and beneficiaries relate to the operational execution quality throughout the leasing period, the frequency and personalisation of the relationship and the solutions put in place, the transparency and the interdisciplinary expertise of the teams and partners who contribute to deliver the services.

As the nature and frequency of journeys have consequences for the well-being of end-users, Arval is committed to optimising their daily experience, in particular through technological solutions and vehicles adapted to the driver's use in terms of comfort, safety and respect for the environment.

The beneficiaries of the mobility solutions offered by Arval are also listened to attentively throughout their journey, whether it is to maintain the vehicle or to assist them in the event of an incident.

Finally, Arval also participates in changing travel habits and thus reducing the ecological footprint of its customers by guiding them towards more responsible practices, through advice, training and services promoting the adoption of low-carbon mobility.

Customer satisfaction surveys

In order to measure the satisfaction of its consumers and end-users, Arval collects their positive and negative feedback and recommendations through customer satisfaction surveys. These are implemented in all the countries where Arval is present, depending on the ability of each entity to follow up, record responses and complete feedback activities, regardless of the customer segment. There are some exclusions such as new customers less than six months old, customers who have opted out of previous surveys, dispute cases, etc. An automatic "do not send" rule is applied to ensure that individual customers do not receive more than one of the same survey every 6 months.

Five mandatory surveys are conducted after specific events occur in the customer journey:

- post-delivery of the vehicle;
- post-maintenance ;
- post-accident ;
- mechanical post-repair;
- post-return of the vehicle.

In addition, individuals who are both customers and drivers are asked to respond to an annual survey aimed at collecting their point of view on the entire service over the past year.

These surveys are sent to customers via an email with a link to a secure online questionnaire. The content of the surveys is adapted to the context of each country and to the typology of end-users.

These studies allow Arval's operational teams to identify the main actions to be taken to improve the experience of these users as well as the offer of products and services.

The five post-event surveys have common indicators for homogeneous measurement: contact, ease and frequency of interactions and consideration of requests.

Arval has set itself the goal of improving the service it provides to its customers every year in all the countries where it operates.

In 2024, Arval sent out nearly 78,000 satisfaction surveys to its private vehicle leasing customers worldwide, with a response rate of 15.2%. In addition, more than 1.6 million surveys on the five main events (maintenance, repair, delivery, accident, return) were sent to the drivers of Arval customers achieving a response rate of 29.8%.

Health and safety

In order to improve its road safety products and services as well as its complaints management, Arval collects the views of its consumers and end-users either directly from them or from their employer, who is also responsible for its employees' safety during their business trips.

Individual and beneficiary customers have several solutions to inform Arval of their concerns and complaints related to road safety and accident management.

Accident management is a topic integrated into satisfaction surveys, as described in the *Customer satisfaction* section, in section 6.2.2 *Processes for engaging with consumers and end-users about impacts*. These surveys cover the entire user journey of the various mobility products and services offered by Arval, including the event following a road accident.

Arval also organises webinars and prevention events on road safety at company premises, in order to raise awareness of road safety issues among end-users, and to test locally Arval's offered products and solutions.

In addition, as a mobility player, Arval wants to set an example to ensure safe and responsible mobility. This is why Arval own employees test new mobility solutions and offers, such as road safety training, before they are marketed in order to meet user expectations and implement a continuous improvement approach.

6.2.3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Customer satisfaction

Consumer and end-user satisfaction is a dedicated focus of Arval Beyond strategic plan. It is tracked through the Net Promoter Score for vehicle leasing customers as well as through user (driver) satisfaction.

An individual remediation approach is implemented with customers who have responded to a survey. Arval endeavours to contact each customer upon receipt of their request within a maximum of five days, with priority given to dissatisfied customers. This feedback provides a better understanding of customers' perceptions and the reasons for their opinion.

When possible, an immediate solution is provided to the customer. When the solution cannot be immediate, the agency or customer relations centre must implement corrective actions, if the irritant is at the local level ("Innerloop"), or forward it to the central teams, if it is a structural irritant whose

resolution is not directly within the control of the local level (“Outerloop”).

The Innerloop focuses on obtaining the customer insights, including calling them back to understand their historical events, improve interactions with them and provide relevant solutions. The Outerloop is dedicated to identifying root causes, analysing results, and planning actions.

These customers’ events are recorded and processed through management and steering tools. The Net Promoter System is mainly operated via the Customer Feedback Management tool which allows to manage surveys, consult customers’ feedbacks in real time, share the results throughout the entity and monitor them via dashboards. Survey response data is subject to the same archiving conditions as all personal data. For more information, see section 6.2.4 *Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions.*

Arval learns from these remediations, enabling it to nurture a continuous learning process. The Quality, Process and Customer Engagement team regularly shares with its management and the heads of the operational teams the main customers’ irritants and organises their prioritisation and resolution along with the operational teams responsible for them. Surveys are coordinated locally by the Quality, Process and Customer Engagement teams within the Business Transformation function in most of the countries where Arval operates.

Reporting and analysis

The Quality, Process and Customer Engagement teams operating internationally and locally produce reports and analyses of complaints and satisfaction surveys. In all regions where Arval operates and with Quality teams, these teams coordinate action plans to improve processes, customer journeys and employee training in the service culture (see *below Service Culture Programme*).

Arval Service Charter

The Arval Service Charter is in place in all countries where Arval operates, and is a commitment between Arval and its customers, including a list of services and the level at which Arval undertakes to provide them. These commitments may vary by entity. Among these commitments, Arval offers customer service opening hours from Monday to Friday from 8:00 a.m. to 6:00 p.m., roadside assistance available 24 hours a day every day of the week all year round, response to incoming calls (within 20 seconds) and standard lease quotes (within 2 days).

Service culture programme

Arval's service culture programme aims to formalise the way Arval treats its customers, employees, partners and suppliers. Arval wants to create an environment where its employees focus on creating value for the organisation's internal and external stakeholders, driving customer satisfaction. Every Arval employee without exception must embody this culture, i.e. listen, engage and facilitate interactions internally and with customers.

In 2024, more than 2,000 employees have been trained in the mindset and promises of the service culture programme.

Complaints management

The handling of complaints is a key element of the policy for the protection of the interests of clients and is subject to precise operational procedures.

The policy for the protection of the interests of clients defines the rules for handling complaints, for which each BNP Paribas business line or entity, including Arval, is responsible for the operational implementation:

- Customers must be clearly informed of the complaint channel and complaint handling process and, if applicable, the mediation protocol. The Ombudsman is independent of the operational services, which offers guarantees to customers. The UK is the only country with a mediation

protocol, the other countries comply with local regulations and Arval's complaints management procedure.

- Complaints must be acknowledged, and customers must be regularly informed of the progress of their complaints.
- A final response must be provided to the customer within a maximum period of two months.
- Complaints treatment cannot be charged.

Arval must also:

- Ensure that customer-facing employees have sufficient knowledge of the complaints handling process. All employees in contact with individual customers and beneficiaries are trained in complaints management, how to communicate with them and how to follow up on resolutions.
- Monitor compliance with the rules for handling complaints. The local Quality or Compliance teams and/or the local Complaints Process Manager monitor quality, performance and verbatims to ensure compliance with the process and policy, with support from the Corporate team as needed.
- Analyse the cause of complaints and the responses provided in order to inform quality improvement programmes. This allows Arval to learn lessons in a logic of continuous improvement. A detailed analysis of all complaint categories for all countries is carried out by the Corporate team twice a year. Trends and findings are shared with the Corporate Process Manager(s) and Process Improvement teams to inform quality improvement programmes.

Arval is committed to making the submission of a complaint easy and simple to its consumers and end-users. They can do so via the Arval website, some applications, a dedicated telephone number (free) or on a dedicated address indicated in communications (contracts, quotes, Arval service card, etc.).

Requests or complaints relating to the processing of personal data are subject to the same process. They are classified into a specific category, followed under the topic of the Code of Conduct. A more in-depth analysis should then be carried out by the local data protection specialist.

Complaints are recorded, tracked and stored in operational information systems. The rules for retaining complaint data vary from one to ten years depending on the country. At the end of this retention period, the data is deleted or anonymised. Arval applies the local legislation in force in this area.

Social media feedback management

Arval's complaints management procedure includes a specific section for responding to feedback collected on social networks. Currently, Arval's most mature countries, in particular the eight countries with the largest vehicle fleets, actively manage dissatisfied customer feedback on Google Maps and Trustpilot.

At the level of Arval's central communication, the use of a permanent social media monitoring tool detects references of Arval and its accounts and proactively flags the publication of messages with "negative" sentiment. When the reference corresponds to a customer complaint, the Social Media Manager redirects it to the entity concerned so that it can be processed by the local customer relations department, most of the time in the Quality or Customer Process and Engagement departments.

Health and Safety

In the event of accidents related to the use of vehicles leased by Arval, all countries apply the Target Operating Model for Accident Management, which describes several steps to be followed for effective management and risk limitation following a road accident. In 2023, as part of the update of the

procedure, Arval's operational teams were trained in the measures to be put in place in the event of a road accident.

In addition to vehicles, all the bike leasing offers marketed by Arval (company bikes, cargo bikes and shared bikes), in all countries, include the equipment and services essential to limit physical risks (helmet, safety vest, training or guide to cycling). The offer also includes comprehensive support for the user in the event of an incident, such as damage insurance and assistance in the event of breakdown or theft.

To do this, consumers and end-users can contact the customer service via dedicated phone lines, emails and online platforms specific to the countries in which Arval operates.

In addition, *BNP Paribas' whistleblowing* platform is accessible to all entities, including Arval. External third parties, including Arval customers, in addition to all employees, may submit alerts concerning, but not exclusively, the health and safety of persons via a form available on the BNP Paribas website, also accessible via the Arval website.

6.2.4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Arval, in line with BNP Paribas' practices, implements various actions to prevent, mitigate and correct the impacts on its individual customers, manage material risks and seize material opportunities.

Transversal training actions

Arval deploys several training courses related to the protection of the interests of its clients, primarily training courses on the Code of Conduct (Conduct Journey) assigned to all employees). In its third edition, it has been enriched with information on ethics alert channels and with a new module on diversity, equity and inclusion that employees must respect in their professional activities, both internally and with external stakeholders.

All BNP Paribas and Arval employees must undergo mandatory training on the protection of personal data. Regular campaigns also favour increased awareness of personal data breaches.

The “Sustainability Academy”, a training platform launched in 2022 by BNP Paribas, offers employees training on sustainability topics. Arval contributes to this with its own training courses dedicated to sustainable mobility, available to all its employees worldwide. For more information, see section 5.2.4 *Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.*

Actions in favour of clear, transparent and non-misleading customer information and complaints management

Clear, transparent and non-misleading information

These actions are described earlier in section 6.2.2 *Processes for engaging with consumers and end-users about impacts.*

In addition, specific actions are carried out according to the needs identified by individual customers, such as the formalisation of guidelines on the drafting of commercial documents by local marketing functions or on best practices to avoid *greenwashing*.

Complaints management

These actions are described earlier in section 6.2.3 *Processes to remediate negative impacts and channels for consumers and end-users to raise concerns*.

Individual customers are informed of the existing complaints process and mediation protocol, on the Arval website where applicable.

Arval aims to ensure that a customer who has made a complaint receives an acknowledgement of receipt within five working days. Customers are regularly informed of the progress of their request, and a final response must be provided within two months, unless more restrictive local regulations are required.

Complaints management is carried out within operational teams. The Compliance function ensures that the complaints management system is in place and complies with the Group's standards and local regulations.

Continuous improvement process

A process of analysis of the causes of the complaints received and the solutions provided feeds Arval's continuous improvement effort.

Quantitative and qualitative information concerning complaints is regularly transmitted to Arval's Executive Committee.

Actions in favour of data privacy protection

Risk management process related to the protection of personal data

BNP Paribas' policy on the protection of personal data, applicable to Arval, includes a process for identifying, qualifying and assessing the risks related to personal data processing activities impacting data subjects, including individual customers and beneficiaries.

Arval deploys a series of organisational and technical measures to prevent and mitigate the risks associated with the processing of personal data, including the risks related to the loss of confidential personal data, its integrity and availability. In line with Article 32 of the GDPR regulation, these measures include:

- Pseudonymisation and encryption of personal data;
- The ability to ensure the confidentiality, integrity, availability and resilience of data processing systems and services;
- The ability to restore availability of, and access to personal data, within a reasonable period in the event of a physical or technical incident.

Dedicated governance

A governance, based on a network of Chief Data Officers (relays from the Group's Data Office Function, as the first line of defence) and Data Protection Officers (from RISK function, as the second line of defence), ensures the application of the personal data protection framework for which they are responsible. This network is supported by dedicated experts within the LEGAL function. The functions of permanent and periodic control oversee the proper application of the data protection framework and its effectiveness.

Channels for dialogue with individual customers

Firstly, BNP Paribas' rules, in line with the GDPR regulation, prescribe direct notification to data subjects concerned in the case of a data breach. The affected persons are informed as soon as possible of their rights and freedoms and can take the necessary measures to protect themselves.

Individual clients may contact Arval at any time, directly or through the data protection authorities,

for any inquiries or complaints regarding the processing of their personal data, including through customer service or dedicated forms on Arval's websites. In addition, Arval's products and services subcontractors must inform Arval of any request and help to respond to it.

Channels that facilitate this interaction are described in the Data protection notice¹³⁷ published on Arval's website. This notice also provides guidance on submitting complaints to data protection authorities. Complaints are treated confidentially and securely, to ensure access based solely on a need-to-know basis¹³⁸.

The process of dialogue with individual customers for the protection of personal data is organised around Chief Data Officers and Data Protection Officers ("DPOs"), who operate under the authority of Arval's Chief Data Officer and Data Protection Officer, and act as protectors of the personal data of data subjects. As members of the autonomous control function RISK, the DPOs provide independent supervision of the processing of requests.

Periodic reporting is carried out at the level of the company and/or the Privacy and Personal Data Protection committees, chaired by Arval's Chief Data Officer and Data Protection Officer. These committees ensure that this dialogue with individual customers for the protection of personal data takes place and that its results support the company's approach.

Continuous improvement process

In 2024, Arval consolidated its network of data protection specialists, integrated into all territories and activities, and has pursued its missions of applying privacy principles and increasing continuously the degree of maturity in terms of personal data protection.

The effectiveness of the processes for remediating complaints from data subjects is monitored through both permanent (via the control functions) and periodic (via audits) controls. Also, as far as there is a remediation legal obligation related to personal data, these processes are also monitored by the data protection and judicial authorities. The processing of requests from data subjects, including individual clients, is regulated by the data protection authorities, and contact information is made available in the event that the concerned data subjects believe that there are grounds to make a complaint.

Lessons are learned from both data breach cases and interactions with data subjects, to improve channels of dialogue and prevent and mitigate future impacts. If necessary, additional exchanges with the concerned persons are undertaken in order to better meet their requests or to gather additional information, thus ensuring the most relevant and appropriate response.

Actions in favour of customer satisfaction

To better understand and meet the expectations of its customers, the Group, including Arval, has developed a specific organisation based on several tools and aimed at remediating the material impact identified on this topic of customer satisfaction.

Within Arval, the Quality, Process and Customer Engagement teams are in charge of the Net Promoter System ("NPS") and post-event surveys (see section 6.2.2 *Processes for engaging with consumers and end-users about impacts*), and ensure their proper functioning and the corresponding follow-up.

As such, these teams:

- Are responsible for the standards and methodologies in the implementation of the NPS system and post-event surveys;
- Communicate NPS and post-event surveys' results and the monitoring of the customers' irritants regularly;

¹³⁷ <https://www.Arval.com/privacy>

¹³⁸ The concept of "need-to-know" is an information security principle that states that access to certain sensitive information should be limited only to those people who need it to perform their specific tasks.

- Participate in the internal decision-making bodies to provide the voice of customers in the choices of evolution and improvement of commercial processes and customer journeys.

They should also lead the Outerloop stage (described in the section on customer satisfaction 6.2.3 *Processes to remediate negative impacts and channels for consumers and end-users to raise concerns* in close collaboration with operational teams, consisting of:

- Gathering all available customers' feedbacks (from surveys, complaints, social networks, etc.);
- Conducting an in-depth analysis to identify key irritants and their causes;
- Organising the prioritisation and resolution of these irritants with the operational teams in charge.

Action in favour of health and safety of customers

For Arval, acting in favour of road safety requires, above all, understanding and recognising the different elements involved in road accidents in order to adopt a systemic and preventive approach. This is why Arval Mobility Observatory, a recognised international observatory in the automotive sector, operating since 2002, conducted a study *Towards an end to crashes* in 2023, to analyse the different factors of accidents in Europe. The study also identifies actions to be put in place aligned with the European Union's Vision Zero, aiming to halve road deaths and serious injuries by 2030, and then to zero by 2050. While driving behaviour remains the leading cause of road accidents, other factors must also be considered, such as vehicle features and infrastructure as well as road safety policies and regulatory measures.

Based on these findings, Arval is capitalising on several local levers and initiatives to encourage safer mobility among its end-users.

Technological levers

- At the end of 2024, Arval's fleet numbered around 180,000 vehicles with a subscription to the Arval Connect connected service by its customers. The connection is provided via data from boxes installed by car manufacturers or by Arval. The data collected and processed by Arval is described in its data protection notice¹³⁹, and makes it possible to improve the quality of service delivered to customers. By subscribing to the Arval Connect telematics solution, corporate customers can strengthen driver safety, improve their operational performance and develop their CSR policy, in particular with a view to reducing the risk of accidents and energy consumption. They have access to data on usage, energy consumption, CO₂ emissions as well as data related to the driving behaviour of their employees. Drivers have features that allow them to benefit from tips for safer and responsible driving, while protecting their personal data.
- **Technological advances, particularly in driving assistance**, are also increasingly being integrated by car manufacturers into new vehicle models. With the average age of Arval's fleet being around 25 months¹⁴⁰ at the end of 2024, vehicles have benefited from these assistances faster than the average on-road fleet in most of the countries where Arval operates. This is the case with advanced driver assistance systems ("ADAS"), such as automatic emergency braking and lane change assist, which reduce the number of accidents affecting drivers as well as pedestrians.

¹³⁹ <https://www.arval.com/privacy>

¹⁴⁰ All countries except Russia, and excluding the Arval France Flex fleet.

Levers for training and raising awareness among users

- Since the end of 2024, Arval has been proposing to all its customers, in all the countries where it operates, an online road safety training offer to improve driver behaviour. In addition, local training programmes are offered by some countries whose impact on driving practices is then monitored over the long term. Arval France, for example, has observed a 60% reduction in the frequency of accidents¹⁴¹, i.e. -27.5 points between 2014 and 2024 on a customer's commercial fleet after the implementation of three training plans, the fourth of which is underway, for an average of 540 drivers reached per training cycle.
- Arval encourages drivers to adopt safe and responsible driving behaviour also through prevention and awareness initiatives, through various channels, including a mini-series on good driving habits available since 2024 on social networks. This mini-series promotes gentler and more anticipatory driving practices, raising awareness among drivers about fuel economy, CO₂ emissions and more safety on the roads. Some countries, such as Arval France, also deploy preventative message campaigns for drivers undergoing driver training, or Arval Italy which informs drivers of weather alerts.
- Several Arval countries are developing initiatives with local associations aimed at raising awareness of road risk and reducing the frequency of accidents. This is the case of Arval UK, which has been supporting a British road safety charity for several years. In 2024, Arval UK organised an awareness session for its employees together with its partners, focusing on the perspective of those affected by accidents.

Finally, Arval ensures that it provides recognised products and services that meet the requirements of its end-users. Arval Spain and Arval Italy have thus obtained the ISO 39001 certification, which recognises the road safety management systems carried out in these entities. This standard specifies the requirements for a Road Safety Management System ("RTSMS"), enabling an organisation that interacts with the road traffic system to reduce fatalities and serious injuries related to motor vehicle accidents.

Effectiveness of actions related to identified impacts

The actions described above, by topic (clear, transparent and non-misleading information, data privacy protection, customer satisfaction and health and safety) and transversal ones (training actions), enable to prevent, mitigate and correct the identified impacts by Arval on its individual customers.

Through the monitoring of complaints, NPS and the deployment of its actions in favour of health and safety, Arval follows and evaluates the ability of these actions to produce the expected results for individual customers.

Arval also ensures that processes are in place to address any material negative impacts as well as the effectiveness of their implementation and results, as described above, for example with regards to the rules on response times to customers who are dissatisfied or have made a complaint.

Regarding the protection of personal data, negative impacts on data subjects, including marketing practices or data use, are avoided through the internal risk management system put in place by BNP Paribas, and applicable to Arval, in line with personal data protection regulations (GDPR) and national regulations in the countries where Arval operates.

This risk management process related to the protection of personal data is the cornerstone of Arval's system for evaluating each process and each data processing, in the light of compliance with the GDPR

¹⁴¹ Ratio of the number of accidents to the number of vehicles. Maneuvers, parking and traffic only. Excluding theft, glass breakage, vandalism...

and Arval's policy on the protection of personal data. This system also allows the implementation of the measures previously mentioned in section 6.2.4 *Actions in favour of data privacy protection*, such as encryption or pseudonymisation.

As previously described, the BNP Paribas Code of Conduct, applicable to Arval, promotes the highest ethical standards in terms of personal data protection.

Arval commits to never selling its customers' personal data to its business relationships.

6.3 Targets related to managing material negative impacts, risks and opportunities

As part of its sustainability strategy, Arval monitors two key performance indicators with a target by 2026: the decrease of liable accidents rate of the fleet compared to January 2020 and the number of vehicles with customer subscription to the Arval Connect connected service.

Table 54: Summary of targets related to the management of hardware consumer and end-user IRO

Pillar	Indicator	2024 Result	2026 Target
Economic	Number of vehicles with customer subscription to the Arval Connect connected service	179,077	600,000
Civic	% decrease of liable accidents rate of the fleet compared to January 2020 ¹⁴²	-21.4%	-25.0%

In addition, to measure the satisfaction of its drivers, Arval tracks an annual score established on five mandatory surveys as described in section 6.2.2 *Processes for engaging with consumers and end-users about impacts*. In 2024, Arval sent out more than 1.6 million survey invitations, achieving an overall response rate of 29.8% and resulting in a satisfaction score of 88.4%.

¹⁴² Percentage calculated on the basis of insurance claims of motor third party liability (MTPL) observed by Greenval, covering geographies representing 81% of the fleet leased by Arval.

7 Business conduct

The Group's business conduct measures in all its entities, including Arval, include anti-corruption and interest representation, as well as the other topics related to non-compliance risks dealt with in this chapter (financial security, market integrity and cybersecurity).

Strategy: on these various subjects, the Group's strategy is determined by the impacts, risks and opportunities (IRO) identified as part of the double materiality assessment conducted by Arval. Business conduct risk is discussed in Section 7.1 *Impacts, risks and opportunities management*.

Policies: Arval describes the Group's policies in place to manage material risk in connection with the conduct of business in section 7.1.1 *Corporate culture and business conduct policies*.

Actions: Arval describes BNP Paribas' actions aimed at limiting the risk of doing business.

Metrics and targets: Arval presents the following metrics related to business conduct:

- the percentage of high-risk functions covered by training programmes on corruption and bribery;
- the number of convictions and fines for violations of anti-corruption and anti-corruption legislation.

The topics presented in this chapter do not lend themselves to the definition of annual targets or action plans. Indeed, the management of these risks is part of the overall operational risk management system involving, in all the Group's entities, including Arval, a periodic risk assessment, and a portfolio of improvements and corrective actions that is constantly evolving and adapted to each entity.

7.1 Impacts, risks and opportunities management

Through the double materiality assessment carried out by the Group and described in section 1.3.1 *Description of the processes to identify and assess material impacts, risks and opportunities*, Arval has identified a material risk related to the conduct of business:

Table 55: Summary of the links between material risk and policies, actions and metrics

Category	Description	Policies	Actions	Metric
Risk	Business Conduct Risks	<ul style="list-style-type: none"> General Policy on Anti-Money Laundering and Countering the Financing of Terrorism BNP Paribas whistleblowing system group procedure Procedure for gifts and hospitality General anti-corruption policy Conflict of Interest Policy Code of Conduct General policy on financial sanctions Know Your Client - Global Policy Comprehensive Policy on Protecting Market Integrity 	<ul style="list-style-type: none"> Know Your Client Anti-money laundering and countering the financing of terrorism / monitoring of activity Suspicious transaction reporting Negative information Screening of business relationships Transaction Screening 	<ul style="list-style-type: none"> Percentage of high-risk functions covered by training programmes on corruption and bribery Number of convictions and fines for violations of anti-corruption and anti-corruption legislation

7.1.1 Corporate culture and business conduct policies

Summary of the Group's policies on business conduct

The table below summarises BNP Paribas' main policies, applicable to Arval, to manage risk related to business conduct.

Table 56: Summary of Group policies on business conduct

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for its implementation	Interaction with stakeholders
Code of Conduct	The Code of Conduct sets out the rules of conduct that apply to all activities and employees of the Group.	BNP Paribas	General Management BNP Paribas	<p>The Code of Conduct is available on the Group's intranet and on the BNP Paribas website¹⁴³, and is also accessible via the Arval website.</p> <p>It is available in 20 languages.</p>

¹⁴³ https://cdn-group.bnpparibas.com/uploads/file/220131_bnpp_compliance_codeofconduct_2022_fr.pdf

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for its implementation	Interaction with stakeholders
BNP Paribas whistleblowing system group procedure	This procedure sets out the system put in place within the Group to enable employees and certain external third parties to report in complete security, and under the conditions provided for by the regulations, any violation or suspected violation of the laws or the rules of the Group's Code of Conduct.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally, and a summary is available on the Group's website
Procedure for gifts and hospitality	This procedure defines the rules that employees must follow when it comes to gifts and hospitality.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
Conflict of Interest Policy	This policy aims to:• explain the subjects of conflicts of interest in the context of the Group's activities, and more generally in a business context;• outline the Group's principles for identifying, preventing and managing situations of conflicts of interest.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
General anti-corruption policy	This policy sets out the expectations of the Management with regard to all employees who must actively participate in the fight against corruption in order to prevent and detect corruption.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
General Policy on Anti-Money Laundering and Countering the Financing of Terrorism	This policy is the foundation on which the Bank's anti-money laundering and countering the financing of terrorism system is based.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
General policy on financial sanctions	This policy sets out the principles, standards, internal processes and minimum controls to limit BNPP's exposure to the risks associated with any violation of financial sanctions laws and regulatory requirements and the risk posed by any business relationships with sanctioned parties.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
Know Your Client - Global Policy	This policy sets out BNP Paribas' (BNPP) standards of vigilance in terms of know-your-customer, risk assessment and decision-making.	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally

Policies	Description of the content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for its implementation	Interaction with stakeholders
Comprehensive Policy on Protecting Market Integrity	<p>This policy is the benchmark for the Contract Integrity domain. It deals with various regulatory issues, in particular:</p> <ul style="list-style-type: none"> • issues related to market abuse; • issues related to conflicts of interest; • Markets in Financial Instruments Directive 2 ("MIFID II") requirements related to market integrity; • Benchmark regulations and the principles of the International Organization of Securities Commissions ("IOSCO"); • rules on the currency market (Global Code of Conduct on the Foreign Exchange Market); • rules on transparency (crossing thresholds) and short selling. 	BNP Paribas	Two Deputy Chief Executive Officers of BNP Paribas	This policy is disseminated internally
Responsible Representation Charter	<p>The Group's Executive Committee adopted the Charter for Responsible Representation in 2012. It oversees the relations of BNP Paribas employees with the public authorities and the Group's representation practices. It includes a series of core commitments including integrity, transparency, governance and social responsibility.</p>	BNP Paribas	BNP Paribas General Management	The Charter is available on the BNP Paribas website. It is available in French and English
Procedure for the representation of interests Sapin II	<p>In line with the Charter for Responsible Representation, the procedure provides a framework for the relations of BNP Paribas employees with the French public authorities, within the framework defined by Title II of the Sapin II law, relating to the transparency of relations between interest representatives and the public authorities.</p>	BNP Paribas	Directorate of Institutional Affairs	This policy is disseminated internally

The policies described are subject to a monitoring process as specified in Section 2 *Corporate Governance and Internal Control*, 4 *Internal Control*¹⁴⁴.

Compliance with the highest ethical standards is a prerequisite for BNP Paribas. All Group employees, including those of Arval, are required to scrupulously comply with the laws, directives and regulations in force in all areas as well as the professional standards and internal policies that apply to their activities. In the event of a potential conflict between a country's legislation and BNP Paribas' ethical rules, employees are required to comply with applicable local laws if they are more restrictive, while seeking ways to apply and comply with internal ethical rules.

Compliance with these rules, as detailed in the Code of Conduct, is essential to preserve the Group's reputation and the trust placed in it by its customers and partners.

¹⁴⁴ BNP Paribas Universal Registration Document and 2024 Annual Financial Report.

The Code of Conduct

The Code of Conduct, which is binding on all employees and in all the Group's business lines, including Arval, governs the actions of each employee and guides decisions at all levels of the organisation. Published in 2016, and expanded in 2022 and 2024, it has been translated into 20 languages and is published on the¹⁴⁵ Group's website. The Code of Conduct is also accessible via the Arval website.

It presents the rules of conduct to be shared and applied in different areas:

- customer interest;
- financial security;
- market integrity;
- conflicts of interest;
- professional ethics;
- respect for colleagues;
- the protection of the Group;
- commitment to society;
- the fight against corruption.

The Group Conduct Committee ("GCC") ensures and supervises the execution and improvement of the conduct system within the Group, including Arval, and facilitates the sharing of best practices on conduct matters.

A survey launched at the end of 2023 by BNP Paribas among the Group's employees, including those of Arval, confirmed their high level of adherence to the values and behaviours defined in the Code of Conduct as well as a good knowledge of the channels enabling them to report reports (see *The right to alert system* below).

Conduct risk management

All topics covered in the Code of Conduct are subject to policies and procedures that set out rules and processes specific to each type of risk.

These rules and processes are part of the Group's general internal control system, which defines in particular the principles of risk assessment, controls, the detection and handling of incidents, the follow-up of corrective actions and the information of management.

The fight against corruption, money laundering and terrorist financing

BNP Paribas maintains in all its entities, including Arval, systems for detecting money laundering and terrorist financing operations, which are based on a set of standards and controls, on the vigilance of employees, maintained through mandatory training programmes, and on constantly evolving computerized tools.

A strengthened system for the prevention and detection of corruption and influence peddling is also widespread and implemented (see section 7.1.2 *Prevention and detection of corruption and bribery* below).

Respect for market integrity

BNP Paribas' market activities, on behalf of its clients or on its own account, are strictly governed by mechanisms for the prevention and detection of market abuse as well as the management of sensitive information and conflicts of interest.

The fight against tax evasion

Compliance with tax obligations in all respects is part of the Group's commitments in terms of economic and civic responsibility. The tax compliance of operations intended to meet its needs or those of its clients is therefore a major objective of its governance. To this end, principles and procedures have been defined applicable to all operations in which the Group is a party. These elements are set

¹⁴⁵ https://cdn-group.bnpparibas.com/uploads/file/220131_bnpp_compliance_codeofconduct_2022_fr.pdf

out in the BNP Paribas Tax Code of Conduct¹⁴⁶, the latest updated version of which was published in June 2023.

Protection of clients' interests

The protection of customers' interests is a major concern for the Group. This is why it has chosen to place this topic at the top of its Code of Conduct. This topic is a specific area of expertise within the Compliance function (see section 6 *Consumers and end-users*).

The right to alert system

BNP Paribas' whistleblowing system is governed by a Group-level procedure in accordance with the French Sapin II law, relating to "transparency, the fight against corruption and the modernisation of economic life", and applicable in all Group entities in accordance with local regulations.

Any employee of the Group, including those of Arval, has the right to alert in the event of a crime or offence, a threat or harm to the public interest, a violation or attempt to conceal a violation of an international commitment ratified by France, or a unilateral act of an international organisation taken on the basis of such a commitment, or European Union law, any law or regulation or a breach of the Code of Conduct, a Group policy or procedure. This right must be exercised in good faith and without direct financial compensation.

The Group's whistleblowing system is also open to external third parties, in accordance with the Wasserman law, and in particular to former employees of the Group, its suppliers and their subcontractors, for information obtained in the course of their professional activities.

The Group's procedural framework on the right to whistleblowing sets out the various channels available to employees and external third parties, the conditions to be met in order to launch a whistleblower, the processing methods and the protection guaranteed to whistleblowers against retaliation.

The Group's whistleblowing system consists of the following main elements:

Independent and secure communication channels accessible to employees and external third parties

Compliance and Human Resources of the Group, including Arval, share responsibility for BNP Paribas' whistleblowing system, depending on the nature of the whistleblowing. Human Resources receives and processes alerts relating to respect for people, Compliance receives and processes other types of alerts.

Employees and external third parties can securely send their report via an external communication system (BNP Paribas Whistleblowing Platform¹⁴⁷), and operated by an external provider through an online form or a dedicated telephone service (available depending on the country due to local specificities or regulations).

Employees wishing to report can also contact the managerial line, Human Resources or Compliance.

In addition, a specific communication channel receives alerts on financial sanctions and embargo breaches.

Each channel is placed under the responsibility of specifically appointed employees, the HR Conduct Respect for People referents and the Compliance referents according to the nature of the subjects. These referents benefit from training dedicated to the processing of alerts, and undertake to respect the rules of confidentiality as well as to ensure impartial and independent processing of each alert.

The reporting and processing procedures comply with local rules.

An alert can be voiced in all the languages used by the Group.

¹⁴⁶ https://cdn-group.bnpparibas.com/uploads/file/bnpparibas_compliance_code_de_conduite_fiscale_2023.pdf

¹⁴⁷ <https://secure.ethicspoint.eu/domain/media/en/gui/110837/index.html>

Alerts are always treated confidentially. Anonymous reports are also handled, except when local regulations prevent this.

Whistleblower protection and confidentiality

No employee who has whistleblowed in good faith may be subject to disciplinary measures, dismissal or direct or indirect discrimination, in particular with regard to recruitment, remuneration, promotion, training, assignment or redeployment. The same protection applies to employees who have testified and provided information during the investigation.

The whistleblowing system shall ensure the confidentiality of the identity of the authors of the report and the persons mentioned in it, including the person(s) targeted, as well as the information gathered in the report and throughout the investigation.

The referents are responsible for the implementation of these rules as well as for compliance with the laws and regulations applicable to the processing, recording and storage of personal data collected in a whistleblower.

Alert processing

The processing of whistleblowing is governed by procedures or collective agreements that define each stage of processing, and specify the specific rules in terms of protection and confidentiality.

As soon as an alert is deemed admissible, it is analysed and, if necessary, investigated independently and with the required expertise. Specific processing times must be applied for the processing of alerts by informing the whistleblower at each stage of the process (acknowledgement of receipt, confirmation of admissibility and closure after processing), unless there is a legitimate impediment related to the anonymity of the alert.

Raising awareness among employees

All Group employees are made aware of the Code of Conduct and the whistleblowing system as part of the mandatory Conduct Journey training.

This system and its terms of use are also communicated to the central, regional and local levels of the Group's organisation, in particular on the intranet sites.

Control

The right to alert system is subject to generic control plans aimed at verifying access to alert channels and ensuring compliance with the procedures for handling alerts.

Information for the General Management and the Board of Directors

An exhaustive and detailed report on the quantitative and qualitative analysis of the alerts (number of alerts, remediation measures) is presented at least annually to the Group's Executive Committee and to the Board of Directors of BNP Paribas SA.

Training

The topics covered in the Code of Conduct are integrated into a training course called Conduct Journey, which develops the basic rules presented in the Code of Conduct, as well as the behaviours expected of employees in terms of conduct, detection and handling of misconduct.

This course is spread over two years, with a biennial rhythm. It includes 13 modules spread over this period to ensure continuous pedagogical progress. Thus, employees follow different modules each year (except for the "Financial Security" course which is annual). Each year, the modules are renewed and adapted to ensure up-to-date content that is in line with the Group's priorities.

New employees, including Arval employees, systematically follow the 13 modules of the Conduct Journey when they join the Group .

Table 57: Formation Conduct Journey

Characteristics of the training	
Target	All Arval and Group employees
Content	Topics covered in the Code of Conduct: <ul style="list-style-type: none"> • the importance of Conduct and the culture of "speak up" • the fight against corruption; • financial security • conflicts of interest; • the protection of customers' interests; • the handling of confidential information; • commitment to society; • respect for people; • diversity, equity and inclusion; • communicate responsibly; • cybersecurity; • data protection; • competition law.
Type of training	E-learning
Duration	3 hours (13 modules over two years)
Completion rate in 2024	99%

7.1.2 Prevention and detection of corruption and bribery

BNP Paribas has implemented a comprehensive system for the prevention and detection of corruption and influence peddling ("corruption"). Developed in accordance with the French Sapin II law, and in light of the best international standards – such as the recommendations of the French Anti-Corruption Agency, the UK Bribery Act and the U.S. Foreign Corrupt Practices Act – the Anti-Corruption Provision (ABC) is described in the Anti-Corruption Policy and updated with the results of the corruption risk mapping.

Description of the Anti-Corruption Scheme ("ABC")

The ABC scheme applies to all BNP Paribas entities, including Arval, and is manifested by:

- **The anti-corruption statement of the Group's Chief Executive Officer**¹⁴⁸, confirming that BNP Paribas has zero tolerance for corruption and influence peddling. BNP Paribas' management oversees the deployment of the ABC system, in particular by approving the ABC Group report on the assessment of corruption risks.
- **Governance** is managed by a dedicated team at Group level, in charge of designing and coordinating the ABC system, as well as supervising the international network of anti-corruption correspondents, present in all the Group's Business Lines and Functions.
- **Corruption risk mapping**: the risks of corruption and influence peddling are assessed regularly, the results of the mapping are presented to the General Management in its executive function for approval, and to the Board of Directors. The mapping methodology allows for a granular assessment of corruption risks – based on scenarios assessed by the Business Lines and Functions – as well as their prioritization (with risk factors) and action plans to address them.

¹⁴⁸ https://cdn-group.bnpparibas.com/uploads/file/declaration_anti_corruption_fr_janv_2022_final.pdf

- **The Group's Code of Conduct** (available in 20 languages), with a preface by the Group's Chief Executive Officer and the Chairman of the Board of Directors, includes an addendum dedicated to the prevention, detection and fight against corruption, with illustrations of situations and behaviours that are prohibited or deserving of particular attention. In addition, policies associated with the Code of Conduct's Anti-Corruption *Addendum* on Gifts and Hospitality ¹⁴⁹- Lobbying, Conflicts of Interest, Patronage, Sponsorship, Partnerships and Donations - have been developed to guide employees on how to manage the risk of corruption in these situations.
- **The whistleblowing system:** employees have access to whistleblowing channels available in several languages to report any breach of the anti-corruption *addendum* of the Group Code of Conduct. An alert channel is also open to third parties.
- **Third-party assessment (Know Your Client, Know Your Intermediary process, etc.):** Group policies define assessment measures on customers – including politically exposed persons – intermediaries, suppliers and other third parties. This framework allows for the identification and management of counterparties most exposed to corruption risk, to which specific mitigation measures are applied. Finally, a tool for analysing adverse information relating to third parties is deployed throughout the Group and accessible to all staff on the Group's intranet.
- **Anti-corruption controls:** BNP Paribas' system is organised around 3 lines of defence. The Business Lines are responsible for the first line of defence, while the second line of defence is provided by Functions such as Compliance, RISK or Finance. In addition, the General Inspectorate is the third line of defence, with periodic audits, including on corruption risks. Anti-corruption controls (including accounting controls) are identified against risk mapping scenarios, at Group and local level, and include audits of key risks and ABC policies. Finally, the analysis of corruption-related incidents, presented to management, is carried out quarterly at Group level. Together with the key indicators, these controls make it possible to monitor the ABC system and to address negative results with recommendations or an action plan.
- **Training and communication:** (see below *Training*)
- **The disciplinary regime:** any suspicion of corruption or influence peddling involving a BNP Paribas employee is investigated by a specific committee that is independent of the management chain involved, and sanctioned if the case is confirmed.

Training

The anti-corruption and influence peddling training system includes three modules:

- Mandatory training for all Group employees: Anti-corruption module of the Conduct Journey.
- Mandatory training for populations most exposed to corruption risks: ABC Most Exposed. The most exposed personnel must undergo specific training ("ABC Most Exposed"), adapted to the particularities of their activities and positions, for as long as they hold these positions. These are identified with regard to the risk mapping – functions in interaction with third parties or high-risk activities (sales, purchasing, recruitment) – and/or the implementation of the anti-corruption system ((senior) managers, anti-corruption correspondents in particular).

This biennial advanced training is designed to:

- The entire target population every other year;
 - New employees entering the target the following year.
- An ACAMS certificate (Association of Certified Anti Money-laundering Specialists) on anti-corruption has been offered to anti-corruption correspondents within Compliance since 2023.

¹⁴⁹ https://cdn-group.bnpparibas.com/uploads/file/resume_bnpp_qi_procedure_v_fr_revision_ep_juin_2024.pdf

Table 58: Anti-corruption and anti-influence peddling training

Training	Anti-Corruption and Influence Peddling – Most Exposed Personnel	Anti-Corruption Certificate – Advanced
Target	Population of all employees most exposed in 2023 and the new entrants in 2024	Population identified as requiring certification
Subject	<p>Presentation of BNP Paribas' global anti-corruption system.</p> <p>Illustrations to detect cases of corruption during daily activities with the various stakeholders.</p>	<p>Presentation of:</p> <p>(i) different types of corruption and associated regulations;</p> <p>(ii) red flags and measures to manage, control and report corruption risks, within its organisation</p>
Type of training	E-learning	E-learning
Duration	40 minutes	11 hours
Frequency	Work-study every other year: the entire target/new entrants	Once
Completion rate in 2023	98%	Not applicable
Completion rate in 2024	98%	100%

Anti-corruption metrics

BNP Paribas SA, including Arval, has not been convicted or fined for breaching the anti-corruption law in the past five years.

All incidents of corruption are considered in a general analysis to determine corrective actions at the device level (see *Anti-corruption controls* in section 7.1.2 *Prevention and detection of corruption and bribery*).

8 Appendices

8.1.1 Disclosure of information relating to special circumstances

General remarks

These sustainability statements are based on current assumptions and expectations about future events. They include projections and estimates based on objectives, projects and performance forecasts. These elements, subject to inherent risks and uncertainties, depend on numerous factors, such as the evolution of Arval's activities, sectoral trends, economic conditions and competition and regulations. As a result, actual results could differ from those anticipated.

Entity submitting the sustainability statements

Arval Service Lease is a public limited company 100% owned by BNP Paribas that offers the rental, with associated services, of medium and long-term vehicles for companies as well as alternative mobility solutions to the private car.

Time horizons of impacts, risks and opportunities

The short, medium or long-term time horizons for impacts, risks and opportunities are shown in section 1.3.2 *Material impacts, risks and opportunities and their interaction with strategy and business model*.

Time horizons of actions

In the majority of cases, Arval adopts the same time horizons as those prescribed by the standards and as defined by ESRS 1 for its actions:

- **Short-term:** the reference period of these sustainability statements;
- **Medium term:** period of up to 5 years from the end of the reference period;
- **Long-term:** period beyond 5 years.

Assessing sources of uncertainty associated with estimates

These sustainability statements contain information that cannot be directly measured and must therefore be estimated, resulting in a certain degree of uncertainty. This is particularly the case for Arval's upstream and downstream value chain data, which are based on estimates when access to direct data is limited, for example greenhouse gas emissions related to scope 3 (see the methodology paragraph of the section 2.4.3 *Gross scopes 1&2, 3 and total GHG emissions*) or the application of certain pollution-related DNSH related to the EU taxonomy (see section 4.4.1. *Analysis of the alignment of activities with Arval's specific CS and DNSH criteria*)

These estimates shall be based, as far as possible, on recognised databases and methodologies, and shall be based where necessary on elements derived from expert estimates or judgements. In this case, Arval communicates on the level of precision and the estimated margins of error relating to this data. Arval continues to work on improving the accuracy of its estimates with the goal of improving the quality of the underlying data in the future.

Arval, as part of BNP Paribas, has ensured that the content of this report and the methodologies used are reviewed and consistent with those of the Group. Where relevant, certain content elements can also be found in the BNP Paribas report.

8.1.2 Disclosure requirements for ESRS covered by the undertaking's sustainability statements

Description of procedures for identifying the materiality of information

After conducting the double materiality assessment on the topics, Arval conducts a materiality assessment of the information to be published. This analysis is carried out in a qualitative manner, based on the adequacy of the information required by the European CSRD regulation with Arval's activities. Indeed, some information is not relevant due to the nature of Arval's activities or the strategy of Arval and the Group, it is therefore considered non-material for Arval and is therefore not published.

List of data points provided for in thematic standards that derive from other EU legislation

In order to facilitate the reading of the sustainability statements, the table below lists the data points referred to in the ESRS 2 *General disclosures* standard and the thematic ESRS that result from other European Union legislative acts and refers to the pages where the information relating to each of the data points identified as material by Arval is mentioned. Data points that are considered insufficiently important because of the materiality assessment are indicated as "non-material information".

Table 59: List of data points provided for in thematic standards resulting from other EU legislation

Disclosure Requirements	Paragraphs	Pages
ESRS 2 General disclosures	1 General disclosures and 8 Appendices	7
BP-1 General basis for preparation of sustainability statements	1. General disclosures and 8. Appendices	7
BP-2 Disclosure of information relating to special circumstances	8. Appendices	157
GOV-1 The role of the administrative, management and supervisory bodies	1.1 Governance	7
GOV-2 Information provided to the administrative, management and supervisory bodies		11
GOV-3 Integration of sustainability-related performance in incentive schemes		12
GOV-4 Statement on due diligence		13
GOV-5 Risk management and internal controls over sustainability reporting		12
SBM-1 Strategy, business model and value chain	1.2 Strategy	14
SBM-2 Interests and views of stakeholders		23
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	1.3 Material impacts, risks and opportunities	31
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		27
IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statements	8. Appendices	157
ESRS E1 Climate Change	2 Climate change	37
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	2.1 Governance	41
E1-1 Transition plan for climate change mitigation	2.2 Strategy	41
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		47
ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities		47
E1-2 Policies related to climate change mitigation and adaptation	2.3 Impacts, risks and opportunities management	49
E1-3 Actions and resources in relation to climate change policies		53
E1-4 Targets related to climate change mitigation and adaptation	2.4 Metrics and targets	60
E1-5 Energy consumption and mix		60

Disclosure Requirements	Paragraphs	Pages
E1-6 Gross Scopes 1, 2, 3 and total GHG emission		61
E1-7 GHG removals and GHG mitigation projects financed through carbon credits		64
E1-8 Internal carbon pricing		64
ESRS E2 Pollution	3 Pollution	65
ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	3.1 Impacts, risks and opportunities management	65
E2-1 Policies related to pollution		66
E2-2 Actions and resources related to pollution		67
E2-3 Targets related to pollution	3.2 Targets related to pollution	70
ESRS S1 Own Workforce	5 Own workforce	95
SBM-2 Interests and views of stakeholders	1.2 Strategy	23
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	5.1 Material impacts, risks and opportunities and their interaction with strategy and business model	95
S1-1 Policies related to own workforce		100
S1-2 Processes for engaging with own workers and workers' representatives about impacts	5.2 Impacts, risks and opportunities management	106
S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns		107
S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		108
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		117
S1-6 Characteristics of the undertaking's employees		118
S1-7 Characteristics of non-employee workers in the undertaking's own workforce		122
S1-8 Collective bargaining coverage and social dialogue		123
S1-9 Diversity metrics		124
S1-10 Decent wages		124
S1-11 Social protection	5.3 Metrics and targets	125
S1-12 Persons with disabilities		126
S1-13 Training and skills development metrics		127
S1-14 Health and safety metrics		127
S1-15 Work-life balance metrics		128
S1-16 Compensation metrics (pay gap and total compensation)		129
S1-17 Incidents, complaints and severe human rights impacts		130
ESRS S4 Consumers and end-users	6 Consumers and end-users	132
ESRS 2 SBM-2 Interests and views of stakeholders	1.2 Strategy	23
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business mode	6.1 Material impacts, risks and opportunities and their interaction with strategy and business mode	133
S4-1 Policies related to consumers and end-users		135
S4-2 Processes for engaging with consumers and end-users about impacts	6.2 Impacts, risks and opportunities management	136
S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		138
S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		141

Disclosure Requirements	Paragraphs	Pages
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	6.3 Targets related to managing material negative impacts, risks and opportunities	146
ESRS G1 Business Conduct	7 Business conduct	147
ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	1.1 Governance	7
ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	7.1 Impacts, risks and opportunities management	147
G1-1 Corporate culture and business conduct policies		148
G1-3 Prevention and detection of corruption and bribery		154
G1-4 Confirmed incidents of corruption or bribery		156

Table 60: Disclosure requirements for ESRS covered by the company's sustainability statements

Disclosure requirement and related datapoint	Baseline in the sustainability statements
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	1.1. GENERAL DISCLOSURES/Governance Section
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	1.1. GENERAL DISCLOSURES/Governance Section
ESRS 2 GOV-4 Statement on due diligence paragraph 30	1.1. GENERAL DISCLOSURES/Governance Section
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Not applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	2.2. CLIMATE CHANGE/Strategy Section
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	2.2. CLIMATE CHANGE/Strategy Section
ESRS E1-4 GHG emission reduction targets paragraph 34	2.3. CLIMATE CHANGE/Metrics and Targets Section
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Non-material information
ESRS E1-5 Energy consumption and mix paragraph 37	2.3 CLIMATE CHANGE/Metrics and Targets Section
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Non-material information
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	2.3 CLIMATE CHANGE/Metrics and Targets Section

Disclosure requirement and related datapoint	Baseline in the sustainability statements
ESRS E1-6	2.3 CLIMATE CHANGE/Metrics and Targets Section
Gross GHG emissions intensity, paragraphs 53 to 55	
ESRS E1-7	2.3 CLIMATE CHANGE/Metrics and Targets Section
GHG removals and carbon credits paragraph 56	
ESRS E1-9	Application of the phase-in
Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	
ESRS E1-9	Application of the phase-in
Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	
ESRS E1-9	Application of the phase-in
Location of significant assets at material physical risk paragraph 66 (c).	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Application of the phase-in
ESRS E1-9	Application of the phase-in
Degree of exposure of the portfolio to climate-related opportunities paragraph 69	
ESRS E2-4	Non-material information
Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	
ESRS E3-1	Non-material information
Water and marine resources paragraph 9	
ESRS E3-1	Non-material information
Dedicated policy paragraph 13	
ESRS E3-1	Non-material information
Sustainable oceans and seas paragraph 14	
ESRS E3-4	Non-material information
Total water recycled and reused paragraph 28 (c)	
ESRS E3-4	Non-material information
Total water consumption in m ³ per net revenue on own operations paragraph 29	
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Non-material information
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Non-material information
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Non-material information
ESRS E4-2	Non-material information
Sustainable land / agriculture practices or policies paragraph 24 (b)	
ESRS E4-2	Non-material information
Sustainable oceans / seas practices or policies paragraph 24 (c)	
ESRS E4-2	Non-material information
Policies to address deforestation paragraph 24 (d)	
ESRS E5-5	Non-material information
Non-recycled waste paragraph 37 (d)	
ESRS E5-5	Non-material information
Hazardous waste and radioactive waste paragraph 39	
ESRS 2- SBM3 - S1	Non-material information
Risk of incidents of forced labour paragraph 14 (f)	
ESRS 2- SBM3 - S1	Non-material information
Risk of incidents of child labour exploitation paragraph 14 (g)	

Disclosure requirement and related datapoint	Baseline in the sustainability statements
ESRS S1-1 Human rights policy commitments paragraph 20	5.2 OWN WORKFORCE/Impact, Risk and Opportunity Management Section
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	5.2. OWN WORKFORCE/Impact, Risk and Opportunity Management Section
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	5.2. OWN WORKFORCE/IMPACT, RISK AND OPPORTUNITY MANAGEMENT SECTION
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	5.2. OWN WORKFORCE/Impact, Risk and Opportunity Management Section
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	7.1.4. OWN WORKFORCE/Impact, Risk and Opportunity Management Section
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	5.4. OWN WORKFORCE/Metrics and Targets Section
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Non-material information
ESRS S2-1 Human rights policy commitments paragraph 17	Non-material information
ESRS S2-1 Policies related to value chain workers paragraph 18	Non-material information
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Non-material information
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Non-material information
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Non-material information
ESRS S3-1 Human rights policy commitments paragraph 16	Non-material information
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Non-material information
ESRS S3-4 Human rights issues and incidents paragraph 36	Non-material information

Disclosure requirement and related datapoint	Baseline in the sustainability statements
ESRS S4-1 Policies related to consumers and end-users paragraph 16	6.2 CONSUMERS AND END-USERS/Impact, Risk and Opportunity Management Section
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	6.2 CONSUMERS AND END-USERS/Impact, Risk and Opportunity Management Section
ESRS S4-4 Human rights issues and incidents paragraph 35	6.2 CONSUMERS AND END-USERS/Impact, Risk and Opportunity Management Section
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	7.2 BUSINESS CONDUCT/Impact, Risk and Opportunity Management Section
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	7.2 BUSINESS CONDUCT/Impact, Risk and Opportunity Management Section
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	7.2. BUSINESS CONDUCT/Metrics and Targets Section
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	7.2. BUSINESS CONDUCT/Metrics and Targets Section