# La Banque Postale

14 October 2021

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**Scope 1 and 2:** La Banque Postale commits to reduce absolute scope 1 and 2 GHG emissions 43.6% by 2030 from a 2021 base year.

La Banque Postale commits to increase active annual sourcing of renewable electricity from 95.1% in 2021 to 100% by 2030.

**Scope 3 Portfolio Targets**

**Headline target:** La Banque Postale commits to achieve SBTs in real estate, mortgages, electricity generation project finance and corporate instruments portfolios by 2030. As of 2020, La Banque Postale's portfolio targets cover 85% of its total investment and lending activities as of 2020.

**Scope 3 asset class level targets**

| Asset class | Method | Target language |
|---|---|---|
| Real estate | Sector Decarbonization Approach<br><br>(SDA) | La Banque Postale commits to reduce its real estate loan portfolio GHG emissions 64.6% per square meter by 2030 from a 2022 base year. |
| Residential mortgages | SDA | La Banque Postale commits to reduce its mortgage portfolio GHG emissions 73.7% per square meter by 2035 from a 2022 base year. |
| Project Finance | SDA \| Maintenance | La Banque Postale commits to continue financing only renewable electricity through 2030. |
| Listed equity and corporate bonds | Temperature Rating | La Banque Postale commits to align its scope 1 and 2 portfolio temperature score within equity and bonds from 3.1°C in 2019 to 2.2°C by 2025.<br><br>La Banque Postale commits to align its scope 1, 2, and 3 portfolio temperature score within equity and bonds from 3.2°C in 2019 to 1.9°C by 2025. |

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|---|---|---|
| Corporate loan: other long-term debt | Temperature Rating | La Banque Postale commits to align its scope 1 and 2 portfolio temperature score within long-term loans from 3.1°C in 2019 to 2.3°C by 2025.<br><br>La Banque Postale commits to align its scope 1, 2, and 3 portfolio temperature score within long-term loans from 3.1°C in 2019 to 2.1°C by 2025. |

**Summary**

La Banque Postale will implement the following strategy and actions to achieve its targets:

Mortgages: 3 levers for decarbonization of the portfolio have been identified:

- Allocation of new production per EPD (Energy Performance Diagnosis) (with an increase in share of A/B/C EPD and a reduction in share of D/E/F/G EPD)
- Renovation of new production (conditioning loans to D/E/F/G EPD to renovation work)
- Stock renovation (offer renovation loans on individual dwellings)

Commercial Real Estate: 3 levers for decarbonization of the portfolio have been identified when granting a new loan: choice of assets made upon:

- Type of activity (commercial, logistics, medical, etc.)
- By EPD score
- With or without an emission reduction target over the life of the building - the granting of financing may be conditional on a reduction in emissions (whether voluntary targets or if the properties are subject to the Tertiary Decree). This reduction in emissions can be obtained due to renovation projects.The Tertiary Decree, a French regulation, was published on the 23rd of July 2019. It is now known as Decree no. 2019-771 of 23 July 2019 on obligations to take action to reduce final energy consumption in commercial buildings.

La Banque Postale selected these actions because these are the levers the bank can rely to contribute to the portfolio decarbonation.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## About the SBTi

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

We develop standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The SBTi is incorporated as a charity, with a subsidiary which will host our target validation services. Our partners are CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).