

## **BNP Paribas Asset Management extends tobacco exclusion policy**

BNP Paribas Asset Management ('BNPP AM') announces the details of its tobacco exclusion policy. It will exclude tobacco from its range of actively-managed collective investment vehicles over which it has full discretion, extending the policy already applied to its sustainable portfolios when it launched its first SRI fund in 2002. This complements the existing exclusions of controversial weapons and asbestos.

The decision has been taken as part of BNPP AM's commitment to responsible investment, incorporating a fiduciary responsibility that encompasses managing environmental, social and governance (ESG) risks. Implementation will be phased in gradually, providing clients with time to seek alternative investment arrangements, should they deem it appropriate. Divestment from portfolios over which BNPP AM has full discretion is expected to be complete by the end of 2018.

With seven million people dying annually from tobacco-related causes<sup>1</sup>, the decision takes into account concerns about public health, as well as human rights abuses and the substantial economic cost associated with tobacco, believed to be more than USD 1 trillion a year globally<sup>1</sup>, according to World Health Organisation estimates. Some 180 countries have signed the World Health Organization's Framework Convention on Tobacco Control, which aims to cut consumption by 30% by 2025<sup>2</sup> through new regulations and tax increases that will make tobacco less affordable. In November 2017, the BNP Paribas Group announced its decision to cease financing and investment activities related to tobacco companies.

### **Frederic Janbon, CEO of BNP Paribas Asset Management comments:**

"BNPP AM is one of the first global asset managers to exclude tobacco from its mainstream investments and as a leading player we are committed to being a responsible investor in all aspects of our business. We recognise the important role that long term capital plays in tackling major global issues and with an increasing number of asset owners, insurers and pension funds excluding tobacco from their investments, we are taking into account growing international concerns about the risks posed by tobacco. Our commitment to long term investing remains resolute and we will continue to represent the interests of our clients to the management teams of the companies in which we invest, to engage with them on the issues relevant to our investment cases and to uphold our active commitment to a more responsible economy."

<sup>1</sup> Source: <http://www.who.int/mediacentre/news/releases/2017/tobacco-control-lives/en/>

<sup>2</sup> Source: <http://www.who.int/mediacentre/news/releases/2015/trends-tobacco-use/en/>



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## About BNP Paribas Asset Management

BNP Paribas Asset Management is the investment management arm of BNP Paribas, one of the world's major financial institutions. Managing and advising EUR 569 billion in assets as at 31 December 2017, BNP Paribas Asset Management offers a comprehensive range of active, passive and quantitative investment solutions covering a broad spectrum of asset classes and regions. With more than 700 investment professionals and around 600 client servicing specialists, BNP Paribas Asset Management serves individual, corporate and institutional investors in 70 countries around the world. Since 2002, BNP Paribas Asset Management has been a major player in sustainable and responsible investing.

For more information, please visit [bnpparibas-am.com](http://bnpparibas-am.com), or follow us on



## About BNP Paribas Asset Management's responsible investment approach

BNP Paribas Asset Management (BNPP AM) has been a major player in sustainable and responsible investment (SRI) since 2002. BNP Paribas Asset Management has implemented its own responsible investment policy, applying environmental, social and governance (ESG) criteria to all its collective investments. It has also implemented BNP Paribas Group sector policies that ban investments in specific companies operating in controversial sectors. BNPP AM supplements this approach by systematically exercising its shareholder voting rights and through its participation in major organisations involved in these issues, thereby actively contributing to the public debate. BNPP AM has been a member of the Institutional Investors Group on Climate Change (IIGCC) since 2003 and was a founding signatory of the Principles for Responsible Investment (PRI) in 2006. BNPP AM was also one of the first mainstream investment managers to sign the Montreal Carbon Pledge, in May 2015, and to join the Portfolio Decarbonization Coalition (PDC), demonstrating its desire to take concrete action through SRI investment strategies, energy transition and climate preservation. As at 31 December 2017 BNPP AM managed nearly EUR 35 billion of assets in SRI strategies.



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