

#POSITIVEMOBILITY

ARVAL, A RESPONSIBLE & SUSTAINABLE MOBILITY PARTNER

Communication On Progress 2020



ARVAL
BNP PARIBAS GROUP

For the many
journeys in life

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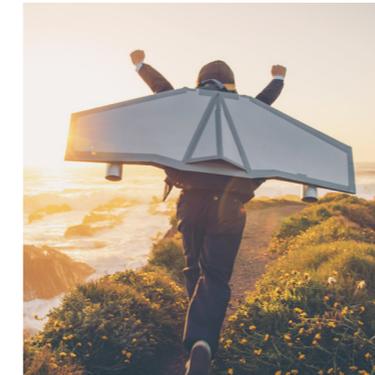


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STANDING TALL AGAINST COVID-19

For too many businesses, the Covid-19 pandemic has brought uncertainty and stress. People and organisations have had to adapt their daily lives without notice, bringing added pressure to an already extreme situation. However, this unprecedented sanitary crisis has also been an innovation catalyst, across all sectors and spheres of expertise. It has accelerated the emergence of new collaborative models, reinforced the importance of corporate agility and put under the spotlight people's growing expectations regarding climate change and the preservation of the environment.

Corporate Social Responsibility (CSR) addresses these matters. Therefore, a strong CSR policy is more relevant than ever. At Arval, we believe that - at local and international level - our response to this crisis has been both positive as well as successful. Our swift response is primarily due to the fact that we have not waited until Covid-19 to work on our sustainable mobility strategy and to challenge the way we work together. We want to thank our teams for their commitment to applying strict sanitary measures, for their trust and understanding and also for their incredible support to our clients.

We believe that 2020 has made Arval stronger. It has confirmed Arval chose the right path towards energy transition and sustainable mobility with its new strategy, Arval Beyond. As a collaborative company, we have reviewed the positives and negatives of this experience, to enhance the way we work together and support customers through their energy and mobility transition.

From all our Executive Members at Arval, THANK YOU.



OUR SUPPORT, IN NUMBERS

245

vehicles
supplied
free of charge

in

12

countries

213,000€

to help
hospitals

91,000

masks donated worldwide

FOREWORD

5 QUESTIONS TO OUR CHAIRMAN & CEO FROM OUR CSR COMMUNITY



Alain van Groenendael
Chairman and CEO



Marie Chambat - France

What does it take to become a trusted and leading mobility partner?

Alain van Groenendael: With almost 1.5 million cars on the roads, as many drivers behind the wheel, CSR is not an option nor a duty. It is something we need to embed at the core of our DNA. It is not only a question of responsibility but also of trust. Our teams and clients expect us to lead from the front. And to do that, we strive to launch tangible solutions to support our customers in their energy transition and mobility strategy. Everyone at Arval has a role to play to help our business make a positive impact. Building a sustainable future is a huge challenge. And we embrace it by committing to integrate 500,000 electrified vehicles in our fleet, lowering the average CO₂ emissions by 30% and launching alternative and sustainable mobility solutions wherever we operate, by 2025.



Graham McEvoy - Ireland

What are the Arval's main strengths to reach its CSR goals?

A v G: With the remarkable mobilisation of our teams, solid business and the support of the BNP Paribas Group, we can only succeed! Our CSR strategy is a robust foundation to generate concrete and coherent actions across our business with a clear baseline and target for 2025. Clear, transparent and ambitious, this roadmap gives us genuine visibility on where we want to go. Entirely in line with the United Nations Sustainable Development Goals, it assures our employees, clients and stakeholders that we want to be part of the solution. Our yearly United Nation Global Compact publication – our Communication on Progress – will keep track of our improvements.



Esther Boersema - The Netherlands

What is Arval's priority? Society or clients first?

A v G: Both! The mobility landscape is changing, as are our lifestyles. Providing more diverse and sustainable mobility solutions to our clients is vital. And I believe that our people are the best ambassadors of our CSR priorities. Before launching a service or solution, we test it first with our employees. Why? Because they provide the most in-depth and valuable feedback. At the same time, it allows them to get to know the solution perfectly before sharing it with our clients.



Nancy Attivi - Corporate

What is Arval doing to inspire a genuinely diverse workplace?

A v G: We are committed to being a Good Place to Work across all our geographies. Diversity, gender equality, training, mobility, innovation... our departments have introduced a wide range of transformative initiatives to take us where we want to go. In November 2020, we launched the Women in Action Programme to prepare the future Arval Women Leaders for the years to come. Our goal? To reach 40% women in each local Arval executive committees by 2025. This example, among many others – highlights our commitment to offering an inspiring and diverse working environment. Our employee surveys show how much our efforts are encouraged and valued.



Stuart Chamberlain - UK

Can you tell us more about the 1MillionHours2Help Initiative?

A v G: Absolutely. As you know, we are launching an international programme created by BNP Paribas: 1MillionHours2Help. Each Arval employee in the world will be invited to give from half a day up to two days of working time (depending on the country) for charity action, every year. Our target? Achieving 30,000 volunteering hours by 2025. We are also working on a CSR Ambassadors Programme to accelerate positive change in-house. I am incredibly proud of all the great initiatives launched during the Covid-19 lockdown, to support medical staff and frontline workers. Thank you to all Arval employees for this amazing mobilisation.

OUR PURPOSE DESTINATION? SUSTAINABLE MOBILITY

We are a committed mobility partner. Yours.

With growing concerns about climate change, sustainability has never been more critical for automotive and mobility actors. For 30 years, Arval has successfully focused its expertise on full-service leasing. Now, as market leaders, we are in the right position to be part of the solution and drive positive change, for the many journeys in life.

Driving our customers through energy transition

Today, we go beyond car leasing to provide all our customers with new sustainable mobility means, including the car. We empower them with a unique hands-on approach to energy transition. In other words, we strive to act as a trusted and innovative mobility partner committed to shaping a better future.

Inspiring a positive impact culture

We can only succeed with the full engagement of our teams around the world. That is why Arval conducts its development in line with the values and principles proudly held by the BNP Paribas Group and the United Nations Sustainable Development Goals. Our common goal is to build a strong responsibility culture, founded on talent and inclusion, to inspire all our employees to make a positive impact every day.

Together
we can
make it happen.



OUR COMPANY 2020 PROFILE



AWARDS AND LANDMARKS

ECOVADIS RATING

Arval is the top 1% of suppliers in its industry assessed by EcoVadis and has been awarded a Platinum recognition level for 2020-2021



GLOBAL COMPACT

1st full-service leasing company to sign the United Nations Global Compact in 2004

WE SUPPORT



ISO 14001 CERTIFICATION IN

16

countries



NEW STRATEGIC PLAN

Arval Beyond focusing on sustainability and mobility



more than
7,200
employees

in
30
countries

1,381,555

leased vehicles
at end December
2020 (+6.4% vs 2019)

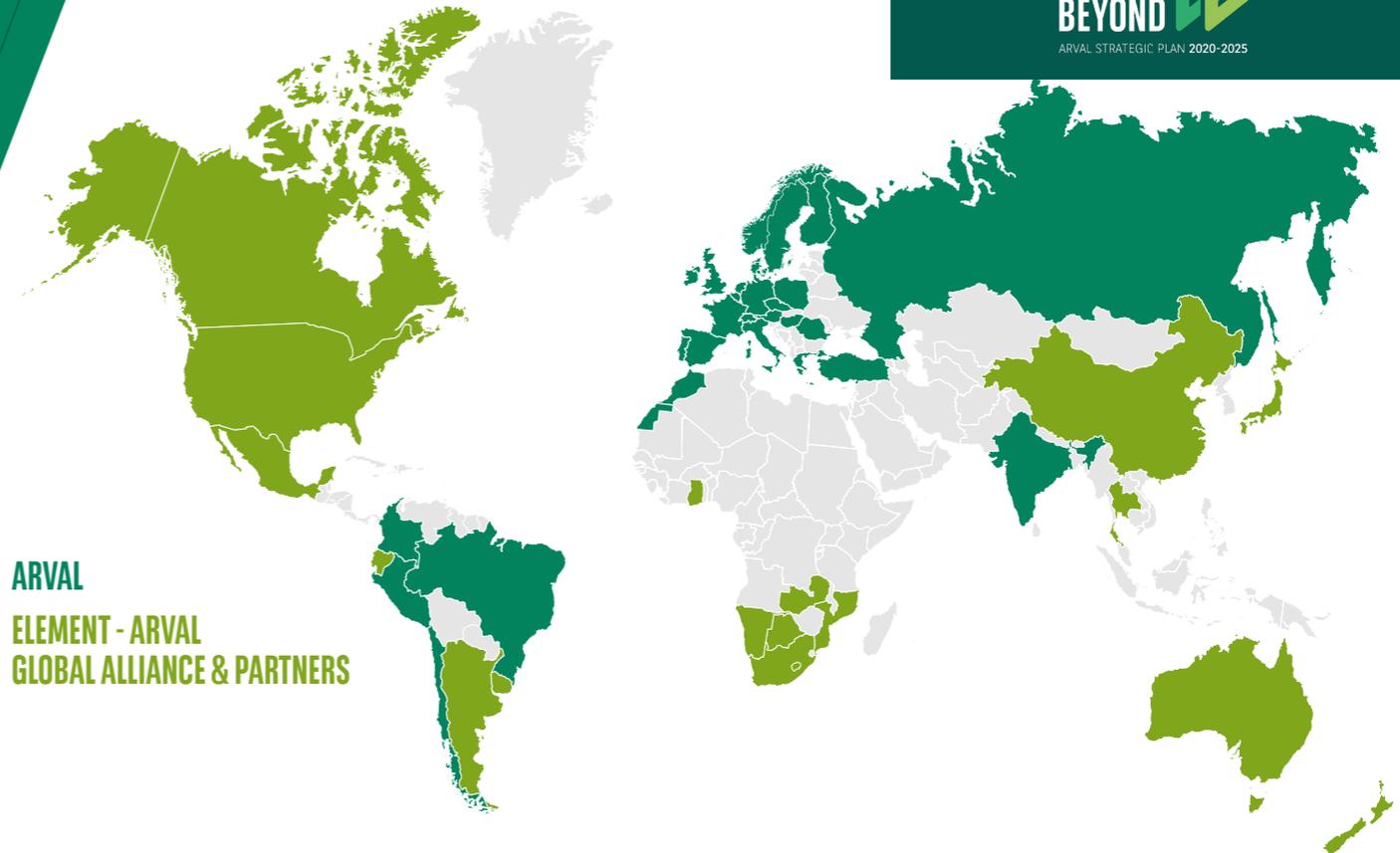
300,000

clients
(corporate, small, medium
enterprises and private)

83%

of our clients, part of client
survey, confirmed Arval cares
about the environment
(+1.5 vs 2019)

- ARVAL
- ELEMENT - ARVAL
GLOBAL ALLIANCE & PARTNERS



ARVAL AWARDS 2020

MARCH

CZECH REPUBLIC

SUPERBRANDS CZECH REPUBLIC

Arval Czech Republic received the Czech Superbrands award, the most respected independent global authority in the field of brand evaluation. It highlights Arval's excellent position in the local market. Based on unified criteria and methods, Superbrands annually identifies the best brands in nearly 90 countries on five continents.

POLAND

BUSINESS SUPERBRANDS POLAND 2020

Arval Poland has been given the title of Business Superbrands 2020 for the strongest brand on the Polish market.

APRIL

SLOVAKIA

BUSINESS SUPERBRANDS SLOVAKIA 2020

The Committee of Experts awarded Arval Slovakia with the Business Superbrands Slovakia 2020 for the third time in a row. Participation in Superbrands is by invitation only and offered to the most outstanding brands in their field.



JUNE

POLAND

FLEET DERBY AWARD

Arval Poland once again received the prestigious Fleet Derby Award in the opinion poll organised by the monthly trade magazine "Fleet". A new category, Electromobility, was introduced this year, while nominations were awarded, among other things, for financing low-emission transport. It was precisely in this category that the solution proposed by Arval in cooperation with EV Box – an electric vehicle / smart charger package – won.



SEPTEMBER

GERMANY

3M'S SUPPLIER OF THE YEAR AWARD (in the Fleet & Travel Category)

Arval Germany was proud to be selected as the winner of 3M's Supplier of the Year Award in the Fleet & Travel category. 3M runs a global supply chain that includes around 200 manufacturing plants, 100 warehouses, and 25 customer-facing divisions.

JULY/AUGUST

NETHERLANDS

BEST LEASING COMPANY

Arval Netherlands was awarded the Best Leasing Company for the (almost) 15th time in a row! All their efforts came together at the right moment. Arval Netherlands got their external audits and renewed their 'Golden Ear' (service excellence) certification with a 95% score. (Only two companies in the Netherlands achieved this level).

OCTOBER

UK

BEST LEASING COMPANY & BEST GREEN INITIATIVE AWARDS

Arval UK secured two prestigious awards. One of the country's leading fleet titles, Business Car Magazine, has named Arval UK as the winner of its Best Leasing Company and Best Green Initiative awards. To secure the Best Green Initiative Award, the company has explored how the future might look with its focus on electric vehicles (EVs), targeting to double the market share of EVs on its fleet. It has also developed specialist knowledge of hydrogen fuel cell vehicles.



DECEMBER

NETHERLANDS

BEST LEASING COMPANY FOR FLEET OWNERS

On December 8th Arval Netherlands was elected by the Vereniging Zakelijke Rijders, an association of business drivers, as best leasing company for fleet owners and third place as best leasing company for lease drivers.

NOVEMBER



VERENIGING ZAKELIJKE RIJDERS

POLAND

LEADER OF ELECTROMOBILITY 2020

Arval Service Lease Polska has won the Polish "Leader of electromobility 2020", during the Global e-Mobility Forum 2020. The company has introduced instruments to facilitate EV financing in the Polish market and has undertaken educational activities on electromobility.

CLIMATE CHANGE AN EMERGENCY



+0.9°C

Since 1906, the global average surface temperature has increased by more than 0.9 degrees Celsius.

Source - National Geographic



↘ 68%

of Wildlife populations since 1970

Source - WWF



**2.7 BILLION
PEOPLE**

experience water scarcity at least one month a year.

Source - UN



68%

of the world population projected to live in urban areas by 2050

Source - UN

SUSTAINABLE MOBILITY IS PART OF THE SOLUTION

58% ⚡

Transportation represents approximately 58% of all the energy consumed on the planet.

Source - International Energy Agency.

↘ **39%** ⚡

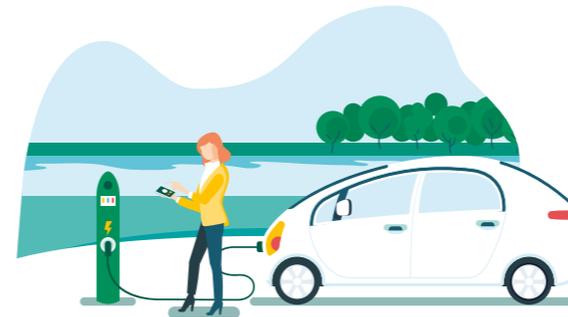
Potential 39% drop in energy used for transportation by 2040.

Under the International Energy Agency sustainable development scenario.

HOW?

A massive shift from internal combustion to electrified powertrains.

In 2040, plug-in vehicles will represent 54% of all light vehicles sold and 33% of the global fleet.



↗ **ALTERNATIVE MOBILITY MEANS**



↗ **DENSITY OF TRANSPORTATION (mass transit)**

CIRCULAR ECONOMY: AN OPPORTUNITY TO SEIZE

A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. And it makes great business sense!

The Ellen MacArthur Foundation, SUN and McKinsey observed that by adopting the principles of circular economy, Europe can generate a net profit of €1,800bn by 2030, or €900m more than with the current path of linear development.



Source - Bloomberg New Energy Finance

CSR MADE IN ARVAL

First things first, what is CSR?

Corporate Social Responsibility covers all the practices put in place by companies to uphold the principles of sustainable development. This means that at Arval, beyond offering secure, sound and innovative mobility solutions, we want to address the fundamental challenges of our times with regard to energy transition, alternative mobility and social inclusion. Our goal? To have a positive impact on society and commit to socially and environmentally responsible practices.



Christelle Paillès
Arval Communications & CSR Director

We have embedded CSR at the very core of our business, counting on each employee to embark on our sustainable journey.

“We want to lead positive change in our sector. That’s why we are reinventing car leasing and launching new sustainable mobility concepts to meet the changing needs of our customers. Our new 5-year strategy Arval Beyond sets out a roadmap for us to fulfill our potential, connect with new publics and shape the future of sustainable mobility.”

Sustainability and responsibility stream ambition

With many sustainable initiatives successfully driven by our teams over the years, it was high time for Arval to set advanced responsibility standards across all its entities and departments. In 2019, we conducted a thorough strategic review of our business. The results confirmed that customer expectations had profoundly changed in terms of mobility and environmental impact and that we were ready to unlock our full potential and seize those many opportunities. CSR is therefore at the heart of our new strategic plan Arval Beyond. Built through a successful test & learn approach with game-changing offers and partnerships developed in our local entities and with our clients, we strive to remain one step ahead of the game.

Action speaks louder than words

Arval has defined 4 strategic areas for its CSR initiatives:

- ECONOMIC
- SOCIAL
- CIVIC
- ENVIRONMENTAL

These are integrated into the 4 pillars of the BNP Paribas Group, and help us to better organise our actions.



Violina Mitru
Arval CSR & Engagement Manager

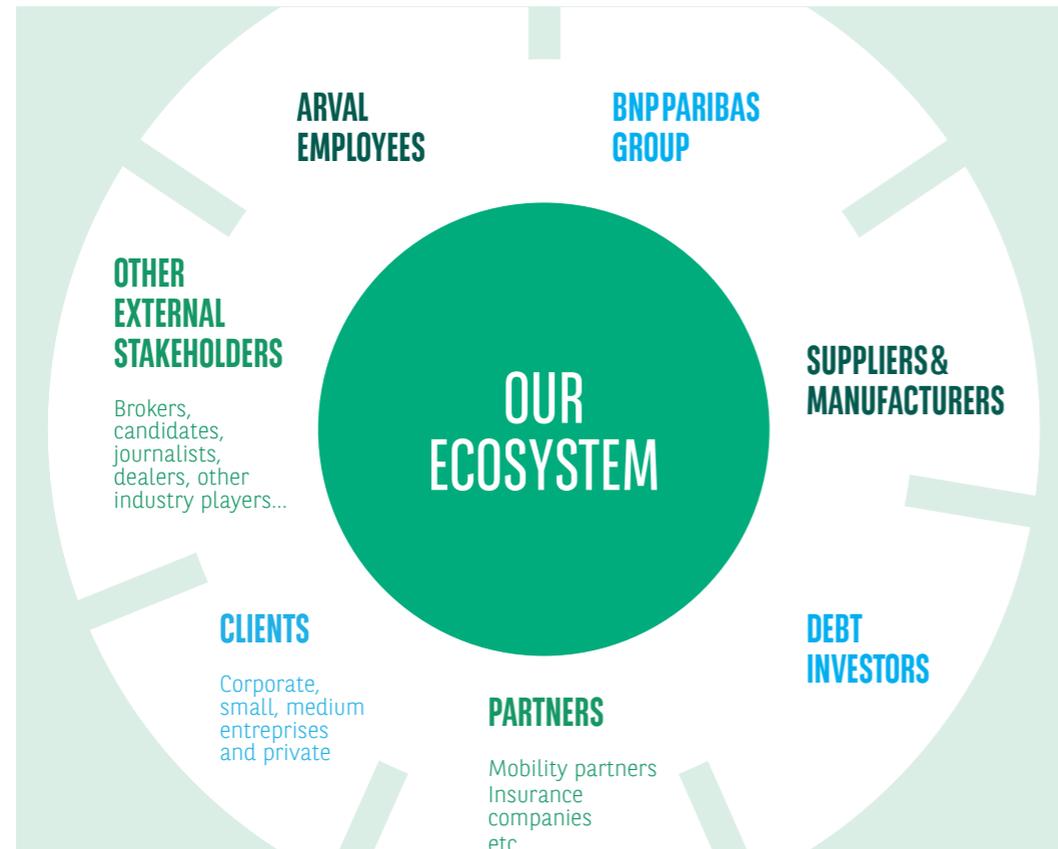
“A more sustainable world cannot be achieved without sustainable mobility. Making our employees proud of being part of this journey is paramount to meet our ambition. With everybody on board, we can support our clients much better and in every way possible to help them succeed in their energy transition.”

OUR 6 KEY 2025 CSR TARGETS

- 1/ 500,000 electrified* vehicles in our leased fleet (25% of our total fleet)
*electrified: electric, hybrid and hydrogen
- 2/ 100% of Arval countries proposing sustainable mobility offers to our clients
- 3/ 30,000 volunteering hours accomplished by Arval employees
- 4/ 40% of women in all Arval ExCos in all our countries
- 5/ 0g CO₂ emissions by reducing and fully offsetting all the CO₂ emissions of Arval own operations
- 6/ -30% of the average CO₂ emissions on total leased fleet vs 2020

OUR STAKEHOLDERS A COLLABORATIVE ECOSYSTEM

Meeting our stakeholders' evolving expectations is fundamental to generate shared value and maximize the relevance of our CSR strategy. To better interact with each community, we have categorized our stakeholders into seven main groups.



SEAMLESS INTERACTION...

For each category of stakeholders, we have developed an extensive array of solutions to engage interaction, build trust and share best practices. Here are examples of how we make it possible.

Employees

We know that employee experience and customer satisfaction go hand-in-hand. A strong employee experience is what enables an outstanding customer experience, while having convinced, committed and motivated employees is what will enable us to grow.

We measure the level of engagement and recommendation of Arval as a best place to work by our employees through the Net Promoter Employee (NPE) score.

In 2019, 82% of Arval employees agreed with the statement "I believe Arval is an environmentally responsible company", and in 2020, 89% stated that they like their job.

By being part of the BNP Paribas Group, we also benefit from seamless contacts with all its entities, making this vibrant ecosystem a great platform for progress.

Clients

Every day we put ourselves in the shoes of our clients and drivers to:

- anticipate their needs
- respond accurately and reduce response times to go beyond agreed expectations
- understand and act immediately on their feedback
- improve our operational processes
- and motivate our partners and suppliers to achieve the same commitments

We also monitor our client's satisfaction and recommendation rates through surveys such as the Net Promoter Score (NPS).

The 2020 client survey reveals that 83% of our clients believe that Arval cares about the environment...an increase of 1.5 p.p. vs 2019!

We also ensure through short satisfaction surveys that the experience of their collaborators when servicing their Arval vehicle in our carefully selected supplier network is as seamless and enjoyable as possible. Driver satisfaction level reached 89.4% in 2020.

Each year, we gather our 40 to 50 most important international clients for the Customer Advisory Board (CAB). This event is an excellent opportunity to receive comprehensive feedbacks and feel the pulse of our industry.

...UNCONDITIONAL TRANSPARENCY

Ensuring transparency towards our stakeholders is an essential part of our CSR ambitions. From our Commercial Relations charter to our Client's Interests Protection Policy, we strive to set higher standards regarding business ethics and responsible marketing practices. In collaboration with the employees representative bodies, reviewed in June 2010, we also make sure to modernise and enhance employee relations, contributing to positive and inclusive working environments. Dialogue is also at the core of our relationship with suppliers: the Arval Sustainable Sourcing Charter outlines our willingness to work with partners who share common values and CSR ambitions.

Looking for specific information?

All our reports are publicly available on the [Arval Corporate Website](#), on which you can find the Arval CSR Report and our Financial Results (published by our Finance Department). You can also find more information in the BNP Paribas Integrated Reports, available on the [investors page](#).

CSR FULLY EMBEDDED IN THE WAY WE WORK TOGETHER

At international level, our CSR strategy is directly overseen by Arval Chairman and CEO Alain van Groenendael and the Director of Communications and CSR Christelle Paillès, both members of the Arval Executive Committee. Our strategy is developed and driven by the Head of CSR and Engagement, who shares the CSR stream ambitions, projects and roadmap with the Executive Committee twice a year.

The Head of CSR and Engagement is in charge of the Group CSR Steering Committee, CSR community coordination and Governance. The team oversees the management and reporting of the strategy and its related initiatives. In other words, its mission is to promote sustainability and responsibility within Arval, BNP Paribas and...beyond.

At national level, CSR correspondents strive to implement engaging strategies and initiatives locally. Each representative works as the primary point of contact of the CSR Manager enabling swift reporting of local projects and developments.

In several countries - the Netherlands, France, Italy and the United Kingdom - we have established CSR ambassadors who actively participate in the committee. We are also currently rolling-out this organisation in Spain.



COLLABORATIVE, TRANSFORMATIVE, COMMITTED

CSR is at the heart of the Arval Beyond strategy. This implies being part of our performance scope, making responsibility an essential dimension of our 2025 ambitions. Fostering a strong responsibility and sustainability in-house culture is paramount. That is why we are committed to engage all employees, making CSR part of our teams' everyday business, wherever we operate. CSR performance is also part of our 3-year "Long Term Incentive plan".

To keep track of Arval's progress, our CSR team monitors specific key performance indicators in line with the CSR commitments of BNP Paribas. This in-depth tracking helps us ensure that CSR remains a central focus year in and year out.

OUR FUTURE CSR STRATEGY 2021 - 2025



THE ECONOMY

DEVELOPING OUR BUSINESS IN AN ETHICAL AND SUSTAINABLE WAY

- 1 Promote Sustainable Mobility with a positive impact
- 2 Ethics of the highest standard
- 3 Include responsible sourcing in our contracts with suppliers



OUR PEOPLE

DEVELOPING AND ENGAGING OUR PEOPLE RESPONSIBLY

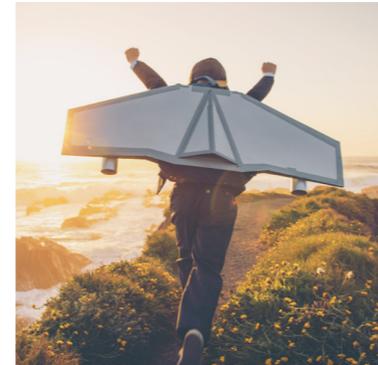
- 4 Promote diversity, inclusion and sustainability in the workplace
- 5 Be a good place to work with responsible employment management
- 6 Be a learning company supporting dynamic career management



THE COMMUNITY

BEING A POSITIVE AGENT FOR CHANGE

- 7 Influence & act for road safety
- 8 Supporting R&D for the future of sustainable mobility
- 9 Sustain corporate philanthropy actions related to our core business



THE ENVIRONMENT

COMBATTING CLIMATE CHANGE

- 10 Partnering with our clients in the transition to a low-carbon mobility
- 11 Reducing the environmental impact of our operations
- 12 Advance awareness and sharing of best environmental practices

Contributing to 15 of the 17 United Nations Sustainable Development Goals (SDGs)

1 NO POVERTY 	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION
5 GENDER EQUALITY 	6 CLEAN WATER AND SANITATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	10 REDUCED INEQUALITIES 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS 			

TABLE OF ACTIONS, OBJECTIVES, COMMITMENTS AND CONTRIBUTION TO UNITED NATIONS SDGs

THE ECONOMY PILLAR 1

Actions	Key Performance Indicators	Target 2025	SDGs
PROMOTE SUSTAINABLE MOBILITY WITH A POSITIVE IMPACT			
Alternative mobility offers (bike sharing, e-scooter sharing, MaaS app, Bike leasing, etc.)	Countries deploying MaaS app	Belgium, France, Germany, Spain, Switzerland, The Netherlands, UK	 11. Sustainable cities and communities
	Countries deploying e-bikes	Belgium, France, Germany, Italy, The Netherlands, Poland, Spain, UK + retail countries	
	Countries deploying car sharing	Belgium, Czech Republic, France, Germany, Italy, The Netherlands, Poland, Spain, Switzerland, UK	
SMaRT* approach to support our clients in their energy transition	Number of SMaRT missions conducted by Arval (locally and internationally)	150	

* SMaRT: Sustainable Mobility and Responsibility Targets

ETHICS OF THE HIGHEST STANDARD

Strong sectorial policy	% of clients assessed according to <i>Know Your Customer</i> (KYC) guidelines	100%	 8. Decent work and economic growth
Training on anti-corruption, anti-money laundering, sanctions and embargos	% of employees trained on anti-corruption, anti-money laundering, sanctions and embargos	98%	 16. Peace, justice and strong institutions

INCLUDE RESPONSIBLE SOURCING IN OUR CONTRACTS WITH SUPPLIERS

CSR clauses integrated into all new contracts	% of new suppliers' contracts signed containing CSR clauses	100%	 12. Responsible consumption and production
Integration of CSR criteria into tender processes	% of suppliers scored on CSR during the tender	100%	
Arval current preferred suppliers assessed according to CSR criteria	% of current preferred suppliers assessed according to CSR criteria	100%	

OUR PEOPLE PILLAR 2

Actions	Key Performance Indicators	Target 2025	SDGs
PROMOTE DIVERSITY, INCLUSION AND SUSTAINABILITY IN THE WORKPLACE			
Women in Action – Programme for future Women Leaders	% of women in Senior Manager positions (SMP) % of women in Local ExCos	25% 40%	 5. Gender equality
Disability Commitment	% of entities with at least 1 commitment on disability*	100%	 10. Reduced inequalities

* Entities over 100 employees

BE A GOOD PLACE TO WORK WITH RESPONSIBLE EMPLOYMENT MANAGEMENT

Pulse Survey	Net Promoter Employee (NPE)	20	 8. Decent work and economic growth
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BE A LEARNING COMPANY SUPPORTING DYNAMIC CAREER MANAGEMENT

Training overall	% of employees reporting having been trained (any format, including e-learning) over the past 12 months (excluding BNP Paribas compulsory training)	98%	 8. Decent work and economic growth
Dynamic career management	% of employees having received formal feedback from their management (annual appraisal, career review, continuous feedback)	100%	

TABLE OF ACTIONS, OBJECTIVES, COMMITMENTS AND CONTRIBUTION TO UNITED NATIONS SDGs

/// THE COMMUNITY PILLAR 3

Actions	Key Performance Indicators	Target 2025	SDGs
/ INFLUENCE & ACT FOR ROAD SAFETY			
Arval countries offering eco-safety driver trainings	Number of Arval countries offering eco-safety driver trainings	30 (100%)	 <p>3. Good health and well-being 9. Industry, innovation and infrastructure 11. Sustainable cities and communities</p>
Developing specific insurance pack for vehicles equipped with ADAS* features	Decrease % of liable accidents, thanks to ADAS and Driver training	-10%	

* Advanced driver-assistance systems

/ SUPPORTING R&D FOR THE FUTURE OF SUSTAINABLE MOBILITY

Providing our stakeholders with Insights on mobility patterns – Arval Mobility Observatory (AMO)	Number of publications of the AMO worldwide	7	 <p>9. Industry, innovation and infrastructure 11. Sustainable cities and communities</p>
	Awareness: number of participants in webinars and presentations	800	

/ SUSTAIN CORPORATE PHILANTHROPY ACTIONS RELATED TO OUR CORE BUSINESS

Solidarity projects	Donations or equivalent in euros	250,000	 <p>1. No Poverty / 2. Zero hunger 4. Quality education / 15. Life on land 17. Partnerships for the goals</p>
Solidarity hours performed by employees	Number of paid solidarity hours performed by employees	30,000 hours	

/// THE ENVIRONMENT PILLAR 4

Actions	Key Performance Indicators	Target 2025	SDGs
/ PARTNERING WITH OUR CLIENTS IN THE TRANSITION TO A LOW-CARBON MOBILITY			
“Electrified” vehicles share in our leased fleet	Number of “Electrified” vehicles leased	500,000	 <p>7. Affordable and clean energy 12. Responsible consumption and production 13. Climate action</p>
Reducing CO ₂ of our leased fleet	% of the average reduction vs 2020	-30%	
Green Energy management and retail (including Vehicle to Grid)	% of “Electrified” vehicles connected to Vehicle to Grid (V2G) ecosystem	10%	

*electrified: electric, hybrid and hydrogen

/ REDUCING THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS

“Electrified” vehicles share in Arval own fleet / ExCos	% of countries with 100% “Electrified” own fleet / ExCo	100%	 <p>12. Responsible consumption and production 13. Climate action 15. Life on land</p>
Carbon free company for own operations (professional travel, office premises, events)	Number of grams of CO ₂ achieved after carbon compensation	0g CO ₂ and Carbon free to be maintained	
Paperless company: reducing paper consumption per employee (kg/employee)	Number of kilograms per employee and % of decrease	11.5 kg /employee	

/ ADVANCE AWARENESS AND SHARING OF BEST ENVIRONMENTAL PRACTICES

Employee awareness	Pulse “I believe Arval is an environmentally responsible company”	90%	 <p>13. Climate action</p>
Sharing of CSR communication in-house, and externally	Share in % of CSR communication (internal, social media and press)	60%	

/ PILLAR 1



THE ECONOMY

DEVELOPING OUR BUSINESS IN AN ETHICAL AND SUSTAINABLE WAY

The 2020 lockdowns have impacted urban mobility more than we could imagine. The UK recently announced a £2 billion package to put cycling and walking at the heart of the new UK transportation plan. In May, Milan began reallocating 35 kilometres of streets for bicycle and pedestrian use only, adding temporary bike lanes, widening pavements, and designating certain streets as pedestrian and cyclist priority. Many similar projects throughout Europe reinforce this trend. What great news for the planet, especially since 40% of daily car commutes concern distances inferior to 3 km⁽²⁾ (twice as polluting as long-distance trips). These trends show just how vital the development of sustainable mobility solutions are; in line with people's willingness to contribute to positive change and to make their lives... easier.

(1) *How Covid-19 will shape urban mobility*
BCG - 2020

(2) *Tomorrow's mobility?*
Ademe - 2020

PROMOTE SUSTAINABLE MOBILITY WITH A POSITIVE IMPACT

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽²⁾
Alternative mobility offers (bike sharing, e-scooter sharing, MaaS app, Bike leasing, etc.)	Countries deploying MaaS app	The Netherlands	Belgium, France, Germany, Spain, Switzerland, The Netherlands, UK	
	Countries deploying e-bikes	Belgium, France, Germany, Italy, The Netherlands, Poland, Spain	Belgium, France, Germany, Italy, The Netherlands, Poland, Spain, UK + retail countries	
	Countries deploying car sharing	Belgium, Czech Republic, France, Italy, The Netherlands, Poland, Spain, Switzerland	Belgium, Czech Republic, France, Germany, Italy, The Netherlands, Poland, Spain, Switzerland, UK	
SMaRT ⁽¹⁾ approach to support our clients in their energy transition	Number of SMaRT missions conducted by Arval (locally and internationally)	103	150	

(1) SMaRT: Sustainable Mobility and Responsibility Targets

(2) SDG N°11: Sustainable cities and communities



Bart Beckers
Chief Commercial Officer
Arval

“This is the perfect time to develop a more responsible fleet now and in the near future.”

What makes Arval’s SMaRT approach a strong driver to support clients in their energy transition strategy?

Bart Beckers: The main idea behind this methodology is to help our customers define their own strategies. We offer them our support, with our in-depth know-how based on our experience and our expertise of future mobility. It empowers them to go for specific mid-and long-term targets. We can then help them implement the strategy step by step; whether it implies replacing old vehicles with better ones, introducing alternative mobility solutions or limiting the number of cars altogether. Because sometimes, car-sharing solutions are simply a better fit! Whenever possible,

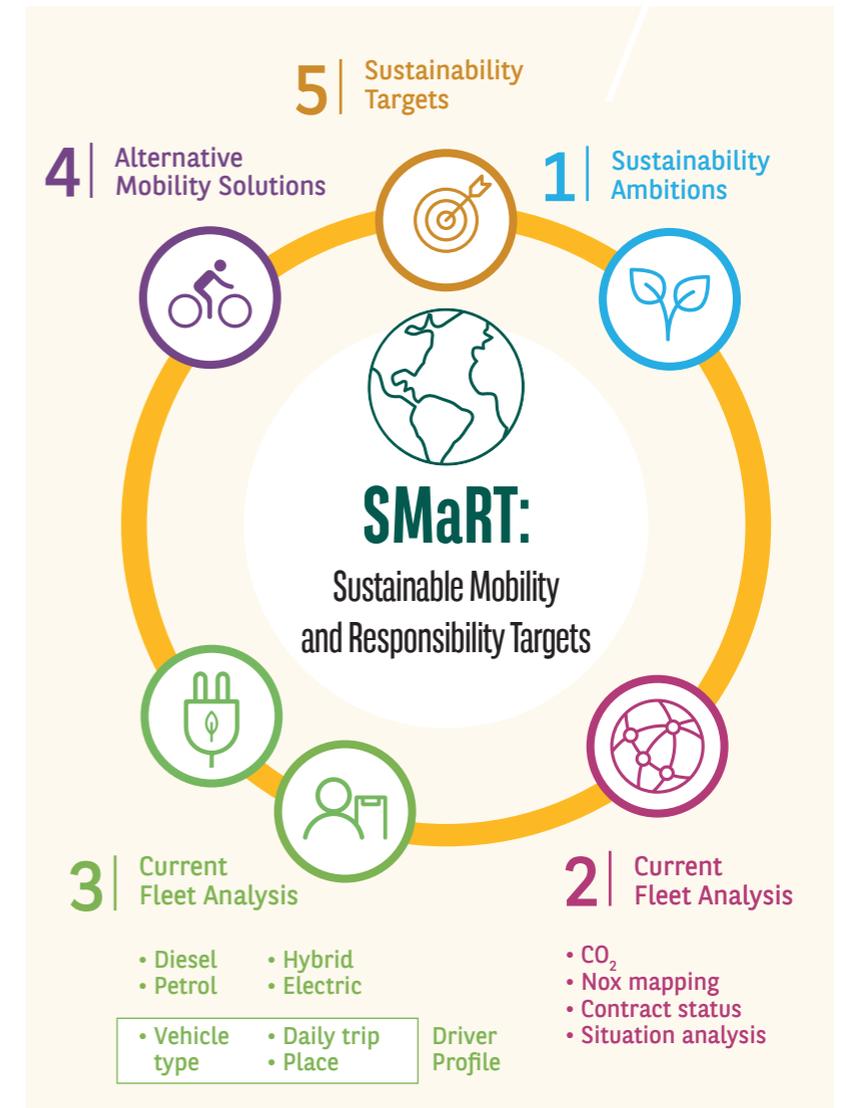
we show them the way towards electrified fleets, full electric or hybrid. With that comes our support in developing charging solutions, meaning identifying the best combinations between home, office and public charging. It’s quite unique. We were the first ones to come out with this type of approach, because we have specialised consultants dedicated to SMaRT.

How will Arval succeed in transitioning 25% (500,000) of its fleet to electrified vehicles by 2025?

B B: We are projecting ourselves forward with a target of 2 million vehicles in full-service leasing by 2025. And 25% will be electrified. To

put that into perspective, we currently have over 100,000 electrified vehicles on the road. The transition takes time since it usually depends on the replacement contracts signed with our customers. It is a massive challenge. When we meet our targets, our fleets CO₂ emissions (on average) will decrease by 30% between now and 2025. To succeed, we need to have the right assets. The number and range of models available are increasing. It is essential since it brings attractiveness to our offer. Battery autonomy is also progressing significantly, and charging infrastructure is developing.

Arval SMaRT approach to support clients in their energy transition strategy



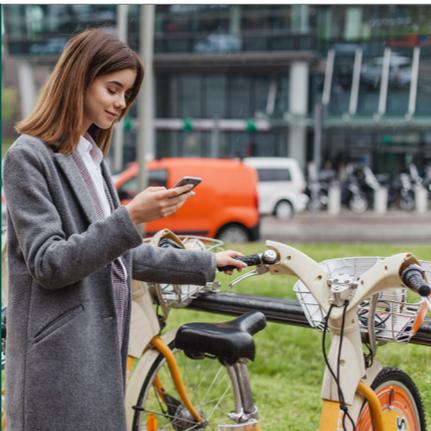
Alternative mobility solutions, full-on mode

2020 has been a catalyst year, partially influenced by Covid-19. Our biggest clients are asking us to accelerate the mobility transition, backed by stronger CSR agendas across all sectors. To address all forms of commuting, particularly for short distances, our implementation of alternative and sustainable solutions is on the rise. These solutions include public transport, ridesharing between employees, corporate car sharing, bike sharing and other 2-wheel solutions.

FOCUS

Arval bike lease

Our bike lease offers a comprehensive solution for customers, including maintenance, compensation in the event of damage or theft and swift assistance.



Pioneering an autonomous electric shuttle service

Arval France has recently launched an autonomous and fully electric shuttle service for employees, offering our French teams an eco-friendly way to travel between the head office and the train station. "We are one of the first private companies to have an autonomous electric vehicle in France", says Ferréol Mayoly, General Manager Arval France "and the service is part of our strategy to accelerate the energy transition through shared mobility."



Jacob Bangsgaard
The MaaS Alliance
President

"We believe that creating an ecosystem of various actors dedicated to working towards the same goal is a key step towards ensuring the future of the mobility sector."

**ARVAL TOMORROW
ARVAL MOBILITY APP**

Our customers and prospects – be they large corporates or small companies – are more and more eager for green, digital solutions. Mobility-as-a-Service, known as "MaaS", is the integration of various forms of transport services into a common on-demand service through the use of a single application with a single payment channel. The goal of MaaS is to connect multiple mobility modes into a seamless and accessible system, driven by demand and data.

MaaS promises to lower both congestion and time spent in transit, all the while making better use of the existing infrastructure.

MaaS represents a huge step forward for employers, enabling employees to benefit from the most efficient mobility combination available, setting higher safety, environmental and comfort standards. In 2019, we joined the MaaS Alliance reaffirming our commitment to facilitating the development of a single, open market in Europe and beyond that allows for the full deployment of mobility as a service.

Towards a circular economy: extending our vehicles' lifespan

At Arval, our mission goes beyond providing vehicles or sustainable mobility solutions to our customers. Our "remarketing" activity, which defines what happens to these vehicles at the end of each contract is critical. Arval strives to be a key player in the circular economy. Remarketing makes it possible to extend the lifespan and use of these vehicles. Among the means used by Arval to achieve this objective: Arval Trading.

Arval Trading specialises in selling used vehicles to professionals in more than 30 countries, significantly extending their lifespan. Every vehicle is reconditioned and thoroughly checked before being put on sale online. This expertise showcases our commitment to contribute to the circular economy. By giving great importance to maintenance, repairs, after-sales and recycling, we strive to maximise durability and limit waste.



Arval Re-Lease vehicle product

When our lease contracts finish – which could be after as little as two years – the cars are returned to us. Modern vehicles are built to last, and many are low mileage, they tend to remain in good condition. We select the most appropriate for this channel, refurbish them, and lease them for a second time. Our customers can take a Re-Lease vehicle on a 12 or 24 month Contract Hire agreement. The big customer benefits are that these vehicles tend to be cheaper than a new equivalent, they are immediately available, and the commitment is less than a new lease at only 12 months.

NB: Arval Re-Lease is already available in 13 countries, with 4 more adding shortly to the list.

It happened in 2020 – The European Mobility Week

Since 2002, EUROPEAN MOBILITY WEEK has strived to improve public health and quality of life through the promotion of clean mobility and sustainable urban transport. This year's theme – zero-emission mobility for all – reflects the ambitious EU targets of a carbon-neutral continent by 2050. As historic partners of the programme, we support inspiring local initiatives such as the launch of a private green offer for employees in Italy and the Netherlands. We also encourage the sharing of dedicated contents through various channels including events, podcasts and webinars. This year, our entities in Spain, Belgium, Italy and France have also mobilised their teams and customers through powerful communication campaigns.

/ ETHICS OF THE HIGHEST STANDARDS

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
Strong sectorial policy	% of clients assessed according to <i>Know Your Customer</i> (KYC) guidelines	100%	100%	
Training on anti-corruption, anti-money laundering, sanctions and embargos	% of employees trained on anti-corruption, anti-money laundering, sanctions and embargos	90%	98%	

(1) SDG N°8: Decent work and economic growth / SDG N°16: Peace, Justice and strong institutions

Responsible mobility implies responsible business

A strong sectorial policy is vital to ensure that we meet our public commitments to combating climate change and promoting respect for Human Rights. To do so, BNP Paribas General Management tasked the Group CSR Department in 2010 to draw up formal policies governing financing, investment and other business activities. These sector policies constitute a set of Group-internal rules, stricter than current regulatory requirements, covering economic sectors with significant exposure or especially sensitive from an environmental or social standpoint. They set out mandatory requirements, compliance with which is an absolute condition for any transaction or deal and include criteria for assessing the level of responsibility and liability of our clients operating in these sectors. These policies are applicable for all

the entities of the BNP Paribas Group, including – of course – Arval and our joint-ventures.

For more details, please visit our dedicated webpage
<https://group.bnpparibas/en/financing-investment-policies>

Setting higher standards

At Arval, we have chosen the most rigorous standards for ethics and compliance and for fighting corruption. To honour these commitments, employees play a central role. For this reason, we provide thorough training sessions to make sure all our employees are ready to deal with any sort of ethical issue. In 2020, 90% of employees have been trained on anti-corruption, anti-money laundering, sanctions and embargoes. Our

efforts will not stop there. We will continue educating and supporting our employees as long as they need it.

Committed to fundamental rights at work

As part of the BNP Paribas Group, Arval is committed to fundamental rights at work. In 2018, the BNP Paribas Group signed a comprehensive agreement with UNI Global Union (the international trade union federation for the service sector) to create a global social framework for its 197,000 employees in 68 countries. Arval is determined to fully play its part by improving the quality of life and working conditions, while making inclusion, wellbeing and respect a source of performance.

/ INCLUDE RESPONSIBLE SOURCING IN OUR CONTRACTS WITH SUPPLIERS

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
CSR clauses integrated into all new contracts	% of new suppliers' contracts signed containing CSR clauses	100% in France, Italy, Spain, UK	100% in all Arval countries	
Integration of CSR criteria into tender processes	% of suppliers scored on CSR during the tender	64% in France, Italy, Spain, UK	100% in all Arval countries	
Arval current preferred suppliers assessed according to CSR criteria	% of current preferred suppliers assessed according to CSR criteria	0%	100%	

(1) SDG N°12: Responsible consumption and production



Responsible sourcing = positive partnerships

Fully implemented in our CSR policy, the Purchasing function contributes to improving our overall performance and reinforcing the quality of our relationships. At Arval, we want to grow with our suppliers and embark them in our journey towards sustainable mobility. For that, our responsible purchasing programme includes a comprehensive Supplier CSR Charter and in-depth supplier assessment according to CSR criteria.

Zero tolerance commitment towards corruption

To follow its zero tolerance commitment towards corruption, Arval has developed a large array of solutions to minimize the risks, within and beyond its walls. Risk management, in-depth financial control, training and specific onboarding and surveillance of suppliers are the cornerstones of our approach.

// PILLAR 2



OUR PEOPLE DEVELOPING AND ENGAGING OUR PEOPLE RESPONSIBLY

Studies conducted in several countries reveal that employees increasingly value Company Responsibility. In France, 86%⁽¹⁾ of employees declare giving more importance to CSR issues over the last few years, with 70% of them willing to get more involved in their company's Responsibility strategy. CSR is also a top job search criterion. 62%⁽²⁾ of French students indicate that they would decline a job offer if a company is insufficiently committed. A recent global survey, conducted during the sanitary crisis, reveals that job loyalty among millennials rises as businesses address employee needs, from diversity and inclusion to sustainability and reskilling⁽³⁾. This insight only encourages us to reinforce our ambition to act as a more responsible, inspiring and empowering employer.

(1) *Employees and Responsible Companies*
Occurrence – 2020

(2) *Talents: what do they expect from work?*
BCG – CGE – Ipsos – 2020

(3) *The Deloitte Global Millennial Survey*
2020

// PROMOTING DIVERSITY, INCLUSION AND SUSTAINABILITY IN THE WORKPLACE

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽²⁾
Women in Action – Programme for future Women Leaders	% of women in Senior Manager positions (SMP) % of women in Local ExCos	20% 24%	25% 40%	5 GENDER EQUALITY
Disability Commitment	% of entities with at least 1 commitment on disability ⁽¹⁾	85%	100%	10 REDUCED INEQUALITIES

(1) Entities over 100 employees

(2) SDG N°5: Gender equality / SDG N°10: Reduced inequalities



Bernard Blanco
HR Director - Arval

// **“Promoting diversity in our teams helps to generate innovation and to bring new perspectives.”**

What makes Arval an inspiring workplace?

Bernard Blanco: We believe that satisfied employees make satisfied customers. That is why we make sure that everyone at Arval has a voice and

contributes to taking us to where we want to go as an organisation. CSR has an essential role to play in bringing meaning and direction, offering a robust framework for our HR programs. But what makes Arval attractive as an employer is our ability to tackle every issue as an opportunity to learn and to create value.

How important is diversity to inspire employee commitment?

B B: It is vital, and I think it is truly embedded in our DNA. As an international company, we believe that diversity is the foundation for a great managerial and corporate culture. In a sector historically masculine, Arval is committed to offering equal opportunities irrespective of gender, by addressing the gender pay gap and encouraging women into more senior roles. It is the reason behind the launch of our programme *“Women in Action”*. In Peru, for instance, the newly launched diversity policy gua-

rantees no gender discrimination, with specific protection for pregnant women. This kind of initiative makes our organisation more inclusive and dynamic. But we remain humble and vigilant. Progress is a long-term game.

What are the challenges ahead?

B B: For us to prosper as an inclusive company implies listening to what our teams have to say. Proximity and empathy are vital in identifying what works and what needs to be fixed. Arval Pulse, our quarterly survey helps us keep track of how our employees feel about working for Arval. Our program People Champion also enables Top Management to stay in touch with daily operations thanks to direct feedback from employee ambassadors. And Arval is firmly committed to maintaining a 0% tolerance policy regarding all forms of harassment. Offering a safer and fairer workplace are the cornerstones to fulfilling our true potential.

// FOCUS

In-house networks that make a difference

At Arval, employee networks are encouraged and supported to raise awareness on specific topics, innovate together and share best practices.

AFRINITY, created to share common affinities with the African continent.

ALL ABROAD, created to facilitate the inclusion and daily life of international employees in the Parisian area.

ABILITY, a thriving network created to facilitate cooperation, emulation and solidarity around the topic of disability in the workplace and private life.

HAPPY MEN, created for men to reflect on new managerial practices, on professional equality and work-life balance.

MIXCITY, a BNP Paribas association and network aimed at promoting gender equality in the workplace – not strictly for women. Men have been welcome to join since 2018!

PRIDE, created to support the BNP Paribas LGBT+ and allies community in the workplace.

ARVAL TOMORROW

Arval is committed to inspiring gender equality across all its local entities, stimulated by progress in countries such as France, Russia, Romania or Portugal where parity is already active in local executive committees. Our goal?

40% women in all Arval ExCos by 2025

Taking our disability commitment to the next level

Until now, disability in the workplace was managed locally, with several excellent policies running within our entities. With our new CSR strategy, we are committed to rolling out positive action wherever we operate. Therefore, each entity with more than 100 employees is expected to formalise and share its commitment in this regard.



// BEING A GOOD PLACE TO WORK WITH RESPONSIBLE EMPLOYMENT MANAGEMENT

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
Pulse Survey	Net Promoter Employee (NPE)	-1	20	

(1) SDG N°8: Decent work and economic growth

Engaging our employees in our transformation

To build a stronger, more efficient and responsible Arval, we need to have all of our employees on board. That is why we have made People Engagement one of our top priorities for Arval Beyond. Arval Pulse is our new quarterly employee survey. It measures NPE (Net Promoter Employee). In other words, it checks how engaged our employees are and how likely they would be to recommend Arval as a great place to work. Four times a year, employees receive a link to an 11-question survey. It takes less than 10 minutes and is entirely anonymous. Its primary purpose is to enable Arval to take swift action at both team and management level. As a committed organisation, Arval strives to empower its teams to take action and drive change.

Encouraging results

It is early days for our new strategy and HR initiatives. But we can already sense how much our employees appreciate Arval's efforts to provide an inspiring workplace. 89% of

respondents declare liking their jobs (content, purpose, etc.). 85% report receiving the support they need from their managers, and 9 out of 10 employees would recommend Arval as a good place to work. This encouraging feedback highlights Arval's dedication to building a positive managerial culture based on the sharing of best practices (regarding talent identification, soft skills, disability, diversity, etc.) and also Arval's dedication to inspiring positive action and being truly useful to customers and society as a whole. Arval Beyond will undoubtedly be a booster to provide even more purpose and legitimacy!

// FOCUS

Empowering our teams, every step of the way

Arval Poland and Arval Spain have launched a programme aiming to develop talents by promoting a new approach to teamwork. To experiment with this, a dozen of selected employees (from operations, sales, finance, etc.) are taking part in a six-month project to improve identified strategic business processes. Design Thinking methodology is at the heart of the project, encouraging participants to empathise with users and better understand their needs. This approach is tested to generate new ideas, build prototypes and test solutions. Participants experience new forms of collaborations taking into account the different personalities among the team. Ideas and outcomes are presented to the Board of Directors to improve processes and maximise performance.



Picture taken before Covid-19.



// **“Responsible management is at the heart of our vision of a good place to work. Our belief? To become a better manager is not only a question of expertise. It is about developing soft-skills and behaviours, which include empathy and trust. Demonstrating emotional intelligence is a cornerstone of Arval’s Leadership Model. For instance, Arval France has two labels delivered by ChooseMyCompany : HappyIndex®AtWork and HappyIndex®Trainees. Arval France has also been awarded the Diversity label and the Equality Label .”**



// BEING A LEARNING COMPANY SUPPORTING DYNAMIC CAREER MANAGEMENT

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
Training overall	% of employees reporting having been trained (any format, including e-learning) over the past 12 months (excluding BNP Paribas compulsory training)	90%	98%	
Dynamic career management	% of employees having received formal feedback from their management (annual appraisal, career review, continuous feedback)	94%	100%	

(1) SDG N°8: Decent work and economic growth

Great talent implies great support

At Arval, we believe that learning is something you can do anytime, anywhere. We strive to develop attractive coaching programmes that adapt to all expectations. For that, innovation and diversity of formats are paramount. The Netskills initiative, driven by Arval Italy, has generated great feedback from local teams. This platform, inspired by a famous video-on-demand platform, enables each employee to access, create a personal profile and manage his training, mixing online contents, live sessions, games and quizzes. A hit! Another successful programme named Content Anytime is currently deployed in Spain.

Continuous feedback is also becoming an integral part of the managerial exercise. Focusing on employee development makes it easier to identify specific needs throughout the year in terms of training and coaching. It is completed with the annual performance review.

// **FOCUS**

The Arval Talent Care Programme



ARVAL TALENT CARE PROGRAMME

Talent management is vital to fuel our transformations and promote our culture of inclusion, innovation and responsibility. Arval is a place for people in action and has always had a strong reputation for developing its employees. In 2018, this was taken to a new level with the launch of the *Arval Talent Care Programme*. This initiative aims at developing a pool of “talents” to provide value-adding support to the Arval global business and power future growth. Through this programme, 44 employees from 20 countries (52% of women) currently benefit from continuous learning; promoting employee engagement at an international level. For this, Arval deploys creative and innovation-focused workshops to build future forefront leaders. The purpose of this twelve-month course is to encourage and strengthen leadership and innovative abilities. For example, one of the workshops includes meeting with start-up leaders to inspire talents to develop dynamic state-of-minds and place innovation at the heart of their work.

PROGRESS, MADE IN ARVAL

In 2020, **55%** of the first Arval Talent Care Programme participants promoted internally or internationally

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“Arval Talent Care is a fantastic programme, a solid framework to help us grow, create and signifies a commitment to our development by Arval’s Directors.”



Suzanne Ford
UK - TCP 2018

//

“Another real source of motivation is the online coaching session. It gave us a real boost to move forward.”



Calogero Iannello
Italy - TCP 2020

//

“A place where you can grow as an individual and be successful as a group.”



Shams El Mouden
Corporate - TCP 2018

/// PILLAR 3



THE COMMUNITY BEING A POSITIVE AGENT FOR CHANGE

Nowadays, 71% of employees globally believe it is critically important for their CEO to respond to global challenges, with 76% of the general population agreeing that they want companies to take the lead on change instead of waiting for governments to act⁽¹⁾. The Sustainable Development Goals (SDGs) - set by the United Nations - allow companies to see if their strategy is aligned with these expectations and the societal, social and environmental issues of our era⁽²⁾. The UN Secretary-General has called on all sectors of society to mobilise for a decade of action (2020-2030) to catch up lost time and achieve the Sustainable Development Goals fixed in 2015. At Arval, we want to do our part.

(1) EY CEO Imperative Study 2019

(2) <https://www.un.org/sustainabledevelopment/development-agenda/>

/// INFLUENCE & ACT FOR ROAD SAFETY

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽²⁾
Arval countries offering eco-safety driver trainings	Number of Arval countries offering eco-safety driver trainings	10 (33%)	30 (100%)	 
Developing specific insurance pack for vehicles equipped with ADAS ⁽¹⁾ features	Decrease % of liable accidents, thanks to ADAS and Driver training	0%	-10%	

(1) Advanced driver-assistance systems (2) SDG N°9: Industry, innovation and infrastructure / SDG N°3: Good health and well-being / SDG N°11: Sustainable cities and communities



Tracey Fuller
UK Head of CSR - Arval and BNP Paribas

/// **"I'm 100% certain that when our people know exactly why they need to do something, they care more. It's at this point that they are genuinely committed to making a difference."**

How important is the idea of "giving back to society" at Arval UK?

Tracey Fuller: It is paramount and even more so now as the impact of the pandemic is being felt at large across all sectors and society in general. I feel lucky and proud to work in an environment in which employees drive positive change. There is a genuine desire to make a difference involving our community, customers included. Our position as an organisation is clear: at Arval, if you want to get involved, we can support you! I firmly believe that the best way to do this is through continuous education to raise awareness on the issues we face and can help influence, like climate change, alternative mobility or road safety.

How does Arval tackle the issue of road safety?

T F: We have been raising awareness about road safety for a long time. We take the view that our role as leaders is to educate on topics close to our sector. We have 1.3 million cars on the road in the world and we want people to drive them safely considering the safety of all road users. We extended educating our staff and our customers to raising awareness in young adults and children by delivering educational content and interventions all over the country. For that, Arval UK works with Brake, a major road safety charity and long-standing partner. We also support our local community and a programme called Safe Drive, Stay Alive which reaches over 14,000 young adults every year.

How does this type of partnership bring value to Arval?

T F: Through our collaboration with Brake, Arval UK is championing best practice among its employees, customers and the wider community. We combine information and advice through a range of channels including seminars, research, events and other kinds of initiatives. Addressing Fleet Safety is key and Arval UK are considered leaders in this space, delivering training to thousands of Fleet Managers over the last 12 years. It gives a strong signal to all of our stakeholders that Arval strives to lead by example. That we, as an organisation, want to play our part to make a positive impact.

/// FOCUS

ADAS, creating the conditions for safer roads

At Arval, our target is to reduce the accident rate by 10% over the next 4 years. For that, driver training is fundamental. But recent studies show that mid-sized passenger cars with crash avoidance systems had up to 14% fewer claims than identical vehicles without Advanced Driver Assistance Systems (ADAS). That is why we want to encourage our clients to opt for this type of extra equipment by offering them special discounts.



/// SUPPORTING R&D FOR THE FUTURE OF SUSTAINABLE MOBILITY

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
Providing our stakeholders with Insights on mobility patterns – Arval Mobility Observatory (AMO)	Number of publications of the AMO in the world	4	7	
	Awareness: number of participants in webinars and presentations	400	800	

(1) SDG N°9: Industry, innovation and infrastructure / SDG N°11: Sustainable cities and communities

Recording and forecasting mobility trends

Today, the **Arval Mobility Observatory** is widely recognised as one of the leading prospective and industry information exchange platforms in the fleet and mobility sector. Its ambition? To collect and provide objective and accurate information to share with all kinds of publics, helping them to truly understand the disruptive mobility paradigm we are currently witnessing (and influencing!). This initiative – first launched in 2002 – contributes to supporting our audiences to find their way in the jungle of innovative, alternative and integrated mobility solutions available. Each year, we share a fleet barometer which puts under the spotlight technological and behavioural trends that shape the mobility of tomorrow.

/// FOCUS

Outcomes of Arval Mobility Observatory Barometer 2020

Even with the Covid-19 outbreak, the latest 2020 barometer underpins once again the intentions of the market: expectations regarding alternative mobility solutions, energy mix and telematics are stronger than ever in the mid and long term.

This year, four main trends stand out:

The shift towards electric vehicles continues to accelerate.

Across all countries and companies surveyed, 61% of companies have already implemented or are considering implementing within the next three years alternative technologies in their energy mix.

An increasing implementation of alternative mobility solutions.

6 out of 10 companies have already launched alternative mobility solutions for their employees.

A continued growth potential from ownership to usership.

36% of large companies and 43% of very large companies have declared that operational leasing is the main source of financing for their vehicle fleets.

The increasing use of telematics:

Vehicle localisation, operational efficiency, security, etc. 37% of the companies have implemented telematics within their fleet.

/// “This major global study conducted in the first quarter of 2020 confirms the acceleration observed over the past two years towards more diversified mobility solutions and greener fleets. The percentage of companies already using electric motor vehicles is still low but is set to increase sharply over the next three years, to a large extent helped by the Covid-19 measures recently announced by various governments at national and international levels”



Yaël Bennathan
Head of Arval Mobility Observatory

Arval Mobility Observatory barometer, how does it work?

For this independent survey, 5,600 Fleet Manager Interviews were carried out between January and mid-March 2020 by independent research company Kantar with a mix of data collection models: a full phone interview conducted or direct phone recruitment with link sent to complete the survey online. The scope (20 countries) – which has been extended in 2020 – includes most of the European countries plus the significant fleet markets of Russia, Turkey and Brazil. The companies in the scope operated at least one vehicle.

Want to know more about the future of mobility?
Check out Arval Mobility Observatory Barometer 2020
<https://mobility-observatory.arval.com>



/// SUSTAIN CORPORATE PHILANTHROPY ACTIONS RELATED TO OUR CORE BUSINESS

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽²⁾
Solidarity projects	Donations or equivalent in euros	192,000	250,000	1 NO POVERTY
Solidarity hours performed by employees	Number of paid solidarity hours performed by employees	6,985 hours ⁽¹⁾	30,000 hours	2 ZERO HUNGER, 4 QUALITY EDUCATION, 15 LIFE ON LAND, 17 PARTNERSHIPS FOR THE GOALS

(1) in 2019, 2020: non-representative in the context of Covid-19.

(2) SDG N°1: No Poverty / SDG N°2: Zero hunger / SDG N°4: Quality education / SDG N°15: Life on land / SDG N°17: Partnerships for the goals

A committed company made of committed people

Wherever we operate, we are proud to work with people who share common values and want to make a difference. For many years, initiatives within and beyond our walls have been successfully driven by our teams to support great causes, locally and internationally. This encourages Arval to lay stronger foundations to accelerate and inspire positive action, showing what we stand for as

a company. In collaboration with our group BNP Paribas, we have launched the 1MillionHours2Help (1MH2H) programme in Denmark, Germany, Ireland, Italy, Portugal, Switzerland and the UK. The idea is simple. Arval employees can use their working time (from half a day up to 2 days depending on the country) to help non-profit organisations seeking to build a more inclusive, environmentally aware world. Our goal is to roll out the 1MH2H programme in all our geographies in 2021.

An inspiring programme hugely appreciated by our teams.

4 THEMES FOR POSITIVE CONTRIBUTION

- Promoting social inclusion among young people
- Accelerating the energy transition and fostering the preservation of biodiversity
- Supporting social entrepreneurship initiatives
- Improving local communities where we are located



Actions that speak louder than words

- In **Italy**, Arval offered 55 cars to 11 associations (Misericordie Fiorentina, Anpas Toscana, USL Firenze, Croce Rossa, ASST Lariana, ASL4 Roma, Linet Italia, Poliambulanza Brescia, Cooperativa Sociale Namaste, Cooperativa Solidari, Life Cure)
- In the **Czech Republic**, Arval supports the *Life in a Suitcase* project. By lending a vehicle with massive luggage space, the founders of the project can easily visit local children in care and deliver vital equipment to carers.
- In **Switzerland**, Arval supports the Cerebral Foundation in helping people with cerebral movement impairment and their families to lead a life as mobile and self-determined as possible.
- In **Russia**, Arval has launched the *Kid Caps project* to help children in care centres and hospitals.
- In **Slovakia**, Arval supports blood donations. Each employee has one working day dedicated to it.

We want to seize this opportunity to thank our teams – everywhere – for their inspirational and unbelievable mobilisation, all year round. #Proud.



/// FOCUS

Extraordinary times call for extraordinary action

Covid-19 has triggered a wave of outstanding contributions from many different Arval entities. Eager to do their part during the pandemic, our teams in France, Italy, UK, Austria, Czech Republic, Ireland, The Netherlands, Poland, Turkey, Romania and Russia have shown incredible determination to support, improve and make life easier for customers and professionals in the medical sector. How? By lending or giving vehicles, cooperating with local authorities and making financial or material donations. For instance, Arval Romania joined forces with a local NGO to buy medical equipment, Arval Italy donated 155,745€ to support health infrastructure and staff. Arval Belgium offered 13,500 FFP2 masks to the Belgian Red Cross to enable them to continue their vital activities, safely.



//// PILLAR 4



THE ENVIRONMENT

COMBATting CLIMATE CHANGE

A **desirable future** for the planet is a carbon-neutral one. With an increasing number of catastrophic weather events, curbing climate change is more urgent than ever. Since COP21, the private sector is progressively acknowledging its responsibility regarding climate change and has started to take action. Reaching zero global net emissions before 2050 is vital to limit climate change to below 2°C⁽¹⁾. BNP Paribas has been carbon neutral since 2017 for its operations. And we will go further, by inspiring a radical decrease in polluting emissions at a larger scale and within our business. For that, Arval fully embraces its role as a leader, challenging its know-how on a daily basis and accelerating positive change beyond its walls.

(1) *Paris Agreement*
Effective since the 4th of November 2016

//// PARTNERING WITH OUR CLIENTS IN THE TRANSITION TO A LOW-CARBON MOBILITY

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽²⁾
"Electrified" ⁽¹⁾ vehicles share in our leased fleet	Number of "Electrified" vehicles leased	100,000	500,000	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Reducing CO ₂ of our leased fleet	% of the average reduction vs 2020	—	-30%	7 AFFORDABLE AND CLEAN ENERGY
Green Energy management and retail (including Vehicle to Grid)	% of "Electrified" vehicles connected to Vehicle to Grid (V2G) ecosystem	0%	10%	13 CLIMATE ACTION

(1) electrified: electric, hybrid and hydrogen (2) SDG N°12: Responsible consumption and production / SDG N°7: Affordable and clean energy / SDG N°13: Climate action



Valeria Evangelista
Sustainability & Engagement Manager, Arval Italy

//// **"The key success factor of our CSR approach is engagement: that means involving all our audiences, to create a sustainable mobility culture and inspire next generation mobility."**

How does CSR transform Arval's relationship with its customers?

Valeria Evangelista: For us, sustainability has been a priority for more than ten years. Beyond limiting the CO₂ emissions of our activities, we collaborate with our customers to inspire a more responsible approach to mobility, in which road safety, sustainable mobility, philanthropy and environmental performance go hand in hand. By placing sustainable mobility at the heart of what we do, we believe we can create extra shared value with all of our stakeholders, internal and external. In other words, CSR is much more transversal than ever before. Today, we are much more than mobility suppliers. Our customers expect us to operate as daily sustainable mobility partners.

What particular programme illustrates this evolution?

V E: Our partnership with Lifegate® in Arval Italy is particularly revealing. Several years ago we developed an offsetting initiative to involve our customers in offsetting their mobility emissions. Consistently with our CSR maturity, increasing year after year, we launched Sulla Strata Giusta: a blog designed to share inspiring sustainability projects from Arval and beyond. Recently we have further enlarged our collaboration by creating a new CO₂ calculation tool dedicated to our employees, to calculate and offset the CO₂ emissions generated by their mobility habits. This engaging content has been very appreciated and has allowed us to raise awareness among our staff.

For more details, please visit www.sullastradagiusta.it

ARVAL TOMORROW OUR ELECTRIFIED TRANSFORMATION

500,000 electrified* vehicles

Yes! By increasing the share of our electrified vehicles and reinforcing our offer up to 25% of our total leased fleet, we are on our way to reduce the average CO₂ emissions of our entire fleet by 30% before the end of 2025. This is what our customers expect from us. With the acceleration of the electric vehicle market, the influence of public authorities and the involvement of OEMs, we are committed to lifting some of the current constraints by developing appropriate infrastructure, innovative services and the most attractive pricing strategy to support the transition to low-carbon mobility. And it works! In Norway, for example, already 42% of passenger cars ordered by customers are EVs.

* Hybrid, electric and hydrogen.

// FOCUS

Innovative services? Vehicle to Grid

Vehicle to Grid (or V2G) helps mitigate climate change by enabling a car battery to be charged and discharged based on different signals, such as energy production or consumption in the area. Arval is currently partnering with industry leaders such as Nissan, EDF, NewMotion and Engie to promote the usage of Green Energy, produced from renewable sources. Our challenge? Tackling the intermittence factor of renewable energy (especially solar and wind energy) by using our batteries as storage solutions. Our V2G offer is designed to reduce the environmental impact of our clients while reducing their recharging costs. We will start to deploy our offer in France and the UK, before aiming at a global rollout.

Welcome to Arval Netherlands Mobility Hub

The new Mobility Hub, located in the Netherlands, is one of the four Arval Hubs recently announced by Arval worldwide. With an area of almost 2,700m², spread over two floors, this cutting-edge knowledge centre embodies our vision of mobility and our willingness to share it with the broadest audience possible.



//// REDUCING THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
“Electrified” vehicles share in Arval own fleet / ExCos	% of countries with 100% “Electrified” own fleet / ExCo	23%	100%	
Carbon free company for own operations (professional travel, office premises, events)	Number of grams of CO ₂ achieved after carbon compensation	0g Carbon free since 2017	0g and Carbon free to be maintained	
Paperless company: reducing paper consumption per employee (kg/employee)	Number of kilograms per employee and % of decrease	23kg /employee	11.5 kg /employee	

(1) SDG N°12: Responsible consumption and production / SDG N°13: Climate action / SDG N°15: Life on land

Talk the talk, walk the walk

At the start of 2020, Arval’s top managers and CEO, Alain van Groenendael, agreed that there was only one way to be entirely legitimate on the question of responsible mobility: to fully adopt it every day... literally. From that point, it was decided that all executive committees should share a fleet of electric vehicles, including e-bikes and scooters. Fully operational in France, this fleet is the embodiment of our commitment. Whoever we are, wherever we operate, smarter mobility is possible. Why don’t you join in?

Arval, a carbon-free company for our own operations

We are proud to be recognised as a Carbon Neutral company by BNP Paribas and the United Nations. BNP Paribas is a carbon-neutral organisation since 2017. Being a carbon-free company implies reducing CO₂ emissions from our own operations (professional travel, office premises, in-house fleet, events), using low-carbon electricity and offsetting our residual emissions. Yes, each year, BNP Paribas offsets its residual greenhouse gas emissions from the previous year for the entire

Group (Arval included). For example, in 2019, BNP Paribas carried out the offsetting of 390,215 teqCO₂ as part of 3 finely curated programmes:

- The Kasigau project in Kenya by WildLife Works,
- The Wash project in Malawi by United Purpose,
- The Katingan Mentaya project in Indonesia by Permian Global.



Certified for the better

The ISO 14001 certification provides assurance that the company’s environmental impact is being measured and improved. Being certified is a recognition of our local efforts and proof that we meet general requirements regarding the environment. 16 Arval countries are currently certified ISO 14001: Belgium, Chile, Czech Republic, France, Germany, Italy, Morocco, The Netherlands, Peru, Poland, Romania, Russia, Slovakia, Spain, Sweden and UK.



In collaboration with ReforestAction, Arval Luxembourg is committed to planting 10,000 trees locally in 2021.



Let’s make single-use plastics history

In line with the BNP Paribas Green Company for Employees Programme, Arval is aiming to ban single-use plastic in the working environment. Food services, office supplies and promotional items are our primary targets for positive change. Among the best practices throughout our geographies, Arval Relsa Chile is running a comprehensive recycling programme that saved 35 trees, 29,889 litres of water and 1,657 kg of CO₂ in 2020.

ARVAL TOMORROW A PAPERLESS COMPANY

No need to write it down. Arval targets a drastic reduction in paper usage over the next five years: an ambitious initiative sponsored by our ExCo, achievable only with the support of all Arval Entities. Beyond the environmental benefit, this project is also an opportunity to review - for the better - the way we work together, by focusing on efficiency, communication and performance. Many projects have been launched in recent years, including the digitalisation of our retail client journey and vehicles files (in France). All training materials have been dematerialised, sales and marketing materials in the Netherlands also. We are also massively deploying e-signatures. Thanks to our employees, we estimate saving the printing of over 1 million documents across all our entities.

For instance, Arval Austria has managed to embark most of its suppliers into this transformation by raising awareness and sharing best practices. Our digital teams around the world help us lead our digital transformation, and for that we are grateful. Arval is also committed to circular economy, through various initiatives, for example in Italy we switched to sustainable resources for remaining paper consumption.



To learn more about Arval and BNP Paribas Carbon Neutrality, please visit our website: <https://group.bnpparibas/en/news/carbon-neutral-bnp-paribas-commitment-climate>

//// ADVANCE AWARENESS AND SHARING OF BEST ENVIRONMENTAL PRACTICES

Actions	Key Performance Indicators	Baseline 2020	Target 2025	SDGs ⁽¹⁾
Employee awareness	Pulse "I believe Arval is an environmentally responsible company"	82%	90%	
Sharing of CSR communication in-house, and externally	Share in % of CSR communication (internal, social media and press)	30%	60%	

(1) SDG N°13: Climate action

Advancing employee awareness

In a business which promotes electrified vehicles, alternative, sustainable mobility and responsible driving, fostering an in-depth environmental awareness is not only essential but expected from all our teams. For our responsibility policies to be fully supported and shared by our employees, we make sure they are backed up by comprehensive training and engaging programmes. Our goal? To make sure everyone is part of the journey. In 2021, we will measure this feeling via our updated Pulse survey by asking the question: "I believe Arval is an environmentally responsible company?". In 2019, already 82%* of our employees stated they considered Arval as an environmentally responsible company.

Sharing CSR best practices within and beyond our walls

Training plays a significant part in developing an empowering responsibility culture. We Engage is a BNP Paribas training programme dedicated to sustainable finance and current environmental and social issues. With inspiring in-house testimonials and interactive quizzes, it is designed to stimulate the sharing of best practices across all the activities within our Group. One euro is donated by BNP Paribas to the Help2Help® programme for each online course followed. Its purpose is to support employee-led projects for local or international NGOs. At Arval, we also want to share our knowledge with everyone, especially with younger publics.

In Italy, "La Mobilità si fa in 4" is a school programme which introduces children to shared, ecological, safe and smart mobility. In 2019, more than 50,000 children benefited from the programme, driven by 20 volunteers from Arval. In the UK, Arval offers schoolteachers educational content on hydrogen fuel cells, free of charge. More than 25,000 downloads illustrate its popularity and legitimacy. It is a strong signal on how important these questions are, not only within our business ecosystem but also in society.

Driving change

Our employees are at the forefront of change. They should also drive it! In Norway, each office parking spot is equipped with an EV charger allowing for a 100% electrified fleet, a responsible practice now rolled-out in most of our geographies.

* Global People Survey 2019.



GLOBAL COMPACT CONCORDANCE TABLE



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Join the Arval **#PositiveMobility** movement
and drive the change with us. Each of us can make the difference.
Together we can make it happen!

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