



## **BNDE adopts the Equator Principles in its financing activity**

**The BNDE adopts the "[Equator Principles](#)", a financial industry benchmark for determining, assessing and managing environmental and social risk in projects. As the spearhead of the Senegalese economy, BNDE confirms its commitment to responsible finance with a strong social and environmental impact.**

The "**Equator Principles**" require the consideration of social, societal and environmental criteria in the financing of any project above USD10 million (above USD 50 million in case of Project-Related Corporate Loans), regardless of the sector.

The National Bank for Economic Development of Senegal already pays the greatest attention to the social and environmental impact of its activity. Thus, its "Environmental and Social Risk Management Charter" prohibits activities considered to have a high environmental and social impact.

The adoption of the Equator Principles marks a further step in the rigorous management of social and environmental risks and confirms BNDE's commitment to responsible finance. In 2024, the bank's Board of Directors adopted an environmental policy setting out BNDE's strategic orientations on sustainability aspects with the objective of achieving carbon neutrality throughout its operational scope. On the same dynamic, the BNDE marks a historic membership of the One Global Compact and sustained initiatives to obtain accreditation to the Green Climate Fund, thus resolutely asserting itself as a citizen bank.

Reminder of the 10 "Equator Principles"

### **1) Review and Categorization**

Projects are classified into 3 categories A, B or C, depending on the potential social and environmental impact, presenting serious adverse risks (category A) or presenting minimal adverse risks (category C).

### **2) Environmental and Social Assessment**

The client must conduct a process of environmental and social risk assessment and propose measures to offset negative impacts.

### **3) Applicable environmental and social standards**

Financial institutions that are signatories to the "Principles" ensure compliance with the necessary laws, regulations and authorizations relating to environmental and social issues in the host country concerned.

### **4) Environmental and Social Management System and Action Plan according to the Equator Principles**

For Category A and B projects, the financial institutions that are signatories to the "Principles" will require the client to develop an Environmental and Social Management System (ESMS) and an Environmental and Social Management Plan (ESMP).

### **5) Stakeholder Engagement**

For Category A and B projects, the financial institutions that are signatories to the "Principles" will ask the client to provide evidence of effective stakeholder participation as part of a process adapted to the local culture.

### **6) Grievance mechanism**

This mechanism, after consultation with the affected communities, must provide solutions to any concerns they may have.

### **7) Independent Review**

An independent environmental and social consultant will also propose – or validate – the action plan to bring the project into compliance with the "Equator Principles", or point out cases in which compliance is not possible.

### **8) Covenants**

The customer undertakes to comply with relevant laws, regulations and permits, to provide periodic reports and to dismantle the facilities (if planned). If the client fails to comply with its commitments, the financial institutions that are signatories to the "Principles" reserve the right to exercise the remedies it deems appropriate.

### **9) Independent Monitoring and Reporting**

The independent environmental and social consultant or external experts will verify the data reported in the periodic reports.



## **10) Reporting and Transparency**

The client is required to make public and accessible a summary of the environmental and social impact statement and GHG emission levels. Financial institutions that are signatories to the "Principles" will publish their reports at least once a year.