EUROPEAN BANKS AND TRANSITION:

Time for a reality check

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Authors:
Noam-Pierre Werlé, Policy Analyst, Reclaim Finance
Romain Joyeux, Financial Analyst, Reclaim Finance
Clara Williams, Financial Analyst, Reclaim Finance

Contributors:
Sarah Bakaloglou, Press Relations France, Reclaim Finance
Louis-Maxence Delaporte, Energy Sector Analyst, Reclaim Finance
Christophe Etienne, Net Zero Research Associate, Reclaim Finance
Anaïs Lehnert, Communications Manager, Reclaim Finance
Léo Martin, Digital Project Officer, Reclaim Finance
Clarisse Murphy, Central Banks Campaigner, Reclaim Finance
Lucie Pinson, Executive Director, Reclaim Finance
Paul Schreiber, Senior Policy Advisor, Reclaim Finance

Copy-edit:
Hele Oakley

Graphic design:
Jordan Jeandon

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EXECUTIVE SUMMARY

European Banks will soon be required to adopt transition plans, an increasingly urgent obligation as legislation evolves. Greater transparency as well as consistency between transition plans and practices is expected by policymakers, financial supervisors, investors and civil society organizations. To assess whether banks are ready to meet this new imperative, it is useful to examine what they are doing in the energy sector, particularly their stance on the expansion of oil and gas production.

For several years now, the Net Zero Emissions by 2050 Scenario from the International Energy Agency (IEA) has projected the halt of new oil and gas field developments, as well as of new liquefied natural gas (LNG) export terminals. Behind the agency's warnings, there is a clear physical reality: consuming currently exploited coal, oil and gas reserves alone will push the world way past 1.5°C and 2°C warming. Banks will fail to transition if they do not respect this fundamental, science-based red line. Their transition plans should be disqualified by default unless they stop all financing to new fossil fuel projects and to the companies that develop them.

To shed light on how European banks can move beyond the basic starting line of transition, this report assesses what remains to be done to end all financing for oil and gas expansion. Taking stock of the first leaps taken by BNP Paribas and Crédit Agricole - both of which announced they would no longer support the issuance of conventional bonds from companies in the oil and gas sector - it analyzes the financial support and policies of the top 20 largest European banks.

This report shows that all the European banks have been actively fueling the expansion of the oil and gas sector over the past several years - with no less than 982 transactions since January 2021 - and that almost none has adopted a policy to end project and corporate financing for the expansion of the oil and gas sector. Between 2021 and 2023, the top European banks were instead able to provide US$200 billion to companies developing new upstream and/or midstream projects.

The biggest supporters of oil and gas expansion in the past three years are the British banks Barclays and HSBC. While both have ended project financing to new oil and gas fields and some associated midstream infrastructure, they still fail to address the issue in its entirety - which would require them to restrict finance to the companies carrying out these projects. This oversight is revealing a broader trend: even though eleven of the banks analyzed in this report have given up support for new oil and gas fields, only four restrict financing to companies that develop these projects. Regarding midstream oil and gas, only two banks have completely ended financing for new LNG export terminal projects.

Even BNP Paribas and Crédit Agricole can still finance some new LNG export terminals and support the companies developing them, as their 2024 financing figures reveal. There were 18 and 42 transactions to midstream developers in 2024 by these banks, respectively, with some major LNG developers among them.

Contrary to the argument that banks are supporting their clients in the transition, the study of financial flows to the six biggest integrated oil and gas companies headquartered in Europe reveals that only about 28% of the total financing provided by the 20 largest European banks was allocated to non-fossil fuel activities.

In the context of the new transition plan requirements outlined above, there are two key reasons that should prompt supervisory interventions in response to European banks' continued support for fossil fuel development. First, the ongoing financing exposes a gap between the climate commitments made by banks, including the net zero pledges made by 19 of the 20 banks analyzed in this report, and their actual practices. Second, it demonstrates that climate-related risks are not being adequately considered or properly managed. While transition plans are scheduled to become key "forward-looking" information used by financial supervisors, the fossil fuel development financing identified in this report simply reveals that no credibility can yet be granted to the plans that will soon be published.

Here, policymakers can play a decisive role by defining clearly what the content of transition plans must be, and by making the end of all financial services to coal, oil and gas expansion a fundamental requirement. This is ever more urgent as the support for oil and gas expansion does not appear set to diminish, despite flashy climate commitments. In fact, six banks - including the top Italian and Spanish banks Intesa Sanpaolo, UniCredit, BBVA, and Santander - increased their support to oil and gas expansion between 2021 and 2023. So far in 2024, banks have continued to finance climate-damaging companies at a high rate. Even though the year is not yet over, 166 transactions have already been identified from the 20 largest European banks to oil and gas developers.

Now is the time to make crystal clear that oil and gas expansion is not compatible with transition planning. Policymakers, market and prudential authorities, central banks, and banks themselves, should all reflect this at their level and in their mission. If this work is done, and all are adequately resourced to monitor and enforce transition plans, significant progress will be made toward a banking system that works for climate mitigation and the reduction of harm.

METHODOLOGY

The scope of banks analyzed in this report is based on the 2024 version of the annual ranking of international banks (by assets) published by S&P Global Market Intelligence. The banks in scope are the first 20 of this ranking that are geographically based in Europe (by descending volume of assets): **HSBC, BNP Paribas, Crédit Agricole, Banco Bilbao Vizcaya Argentaria (BBVA), Crédit Agricole, Santander, Barclays, Société Générale, UBS, Groupe BPCE, Deutsche Bank, Crédit Mutuel, Lloyds Banking Group, ING, Intesa Sanpaolo, NatWest, UniCredit, Standard Chartered, La Banque Postale, DZ Bank, and Rabobank.**

As a starting point, this report uses financial data from the 2024 report Banking on Climate Chaos, published by Reclaim Finance and seven other international NGOs and containing estimates of the financing granted by financial institutions to 4,228 companies active across the fossil fuel industry, all of which are organized within 2,435 group-level companies. The company list is based on Urgewald's 2023 Global Oil and Gas Exit List (GOGEL) and Global Coal Exit List (GCEL), these lists being then narrowed down to companies that received corporate financing between 2016 and 2023. The present report focuses on the years 2021, 2022 and 2023, and on companies marked as developing new oil and gas resources and infrastructure (i.e. pipelines and LNG terminals) as of September 2023.

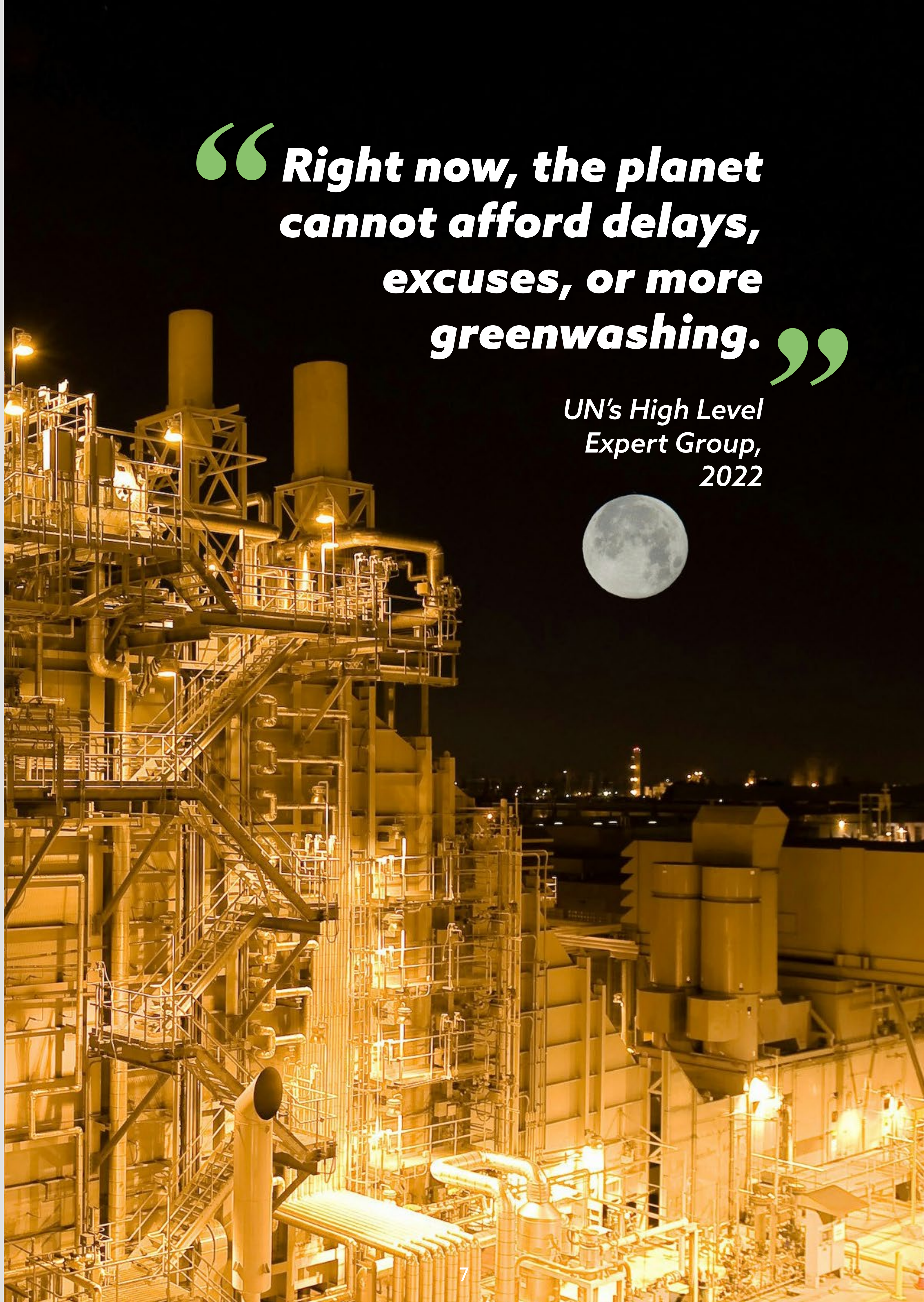
The present report further features new financial data of two kinds. First, 2024 data collected on Bloomberg LP for all companies in Urgewald's 2023 GOGEL with fossil fuel expansion plans, including:

- All bonds issued by developers in the GOGEL between 01/01/2024 and 10/09/2024 in which any of the 20 banks in the scope of this research participated.
- All loans accorded to developers in the GOGEL between 01/01/2024 and 10/09/2024 in which any of the 20 banks in the scope of this research participated.

Second, data collected from Bloomberg LP and IJGlobal for the six largest European oil and gas companies (TotalEnergies, Shell, BP, Equinor, Eni, and Repsol) and consisting of non-fossil-related deals from January 2021 to December 2023. These deals were defined as follows:

- Deals from the 2024 Banking on Climate Chaos report adjusted by a non-fossil fuel factor. This factor is equal to one minus the fossil fuel share (%) of revenue of the company according to the latest financial reporting available. This factor was either taken from the GOGEL or from additional research ahead of the Banking on Climate Chaos report.
- Deals to non-fossil fuel subsidiaries and non-fossil fuel projects related to these six companies. This non-fossil fuel category encompasses power generation pure-play subsidiaries and projects that can qualify as sustainable, such as renewable energy projects and subsidiaries, but also unsustainable ones such as bioenergy. In addition to power generation, industrial activities, such as bioplastic production or activities related to energy storage, are also included. As such, this non-fossil fuel category must not be mistaken for a "sustainable/renewable-only" category. Furthermore, it must not be mistaken for the "low-carbon" category that oil and gas diversified companies use to report their activities, and that is used in this report to analyze the breakdown of capital expenditure of oil and gas integrated companies.

All new data was sent to the 20 European banks in the scope of this report before publication for feedback and to check for accuracy.



"Right now, the planet cannot afford delays, excuses, or more greenwashing."

UN's High Level Expert Group, 2022

INTRODUCTION

Transition plans are progressively becoming one of the main criteria to assess how companies tackle - or fail to tackle - climate change in their strategies. Europe leads this trend, with transition plan-related reporting and obligations set in European law for large companies, including those from the financial sector.

Notably, thanks to recent progress in the European Union (EU), banks will have to disclose their transition plans - covering both their impact on the climate and their exposure to climate-related risks - in order to be compliant with the Corporate Sustainability Reporting Directive (CSRD)1 and the Capital Requirement Directive (CRD).[2] For most companies, including the largest, the implementation of these plans should be monitored according to the Corporate Sustainability Due Diligence Directive (CSDDD).[3]

On the other side of the Channel, Rishi Sunak's Conservative government never made it as far as to mandate United Kingdom (UK) banks to adopt these plans. However, the UK Transition Plan Taskforce (TPT) released guidance[4] that should be turned into requirements under the new Labour leadership, thus converging with EU rules.[5]

Before these regulations ever came into play, banks published climate reports and documents that - if they were rarely labeled as transition plans per se - supposedly set out to show how they adapted their business models to consider climate change. Gathering together in initiatives, financial institutions began to consider how the companies they finance should transition, with "transition plan" frameworks such as the Glasgow Financial Alliance for Net Zero (GFANZ)[6] and assessment metrics like the Net-Zero Company Benchmark from Climate Action 100+ (CA100+).[7]

But if we set aside the glossy communications, how far are European banks on their transition planning journey really?

Exhaustively analyzing banking transition plans is a complex task that will here be boiled down to its core element: whether banks have committed to contain the expansion of fossil fuels. Indeed, some practices are so at odds with climate mitigation and so detrimental to decarbonization goals that they simply discredit any transition claim. As identified in a large and growing number of transition guidance[8] - including the recommendations of the United Nations High-Level Expert Group (UN HLEG) on the Net-Zero Emissions Commitments of Non-State Entities[9] - financing the development of new fossil fuel capacity, including oil and gas, is the litmus test for bank transition planning.

This report puts the 20 largest European banks through this simple test. Tackling the argument that supporting fossil fuel companies can be necessary to support the transition, it also investigates whether financial institutions have gone further than square one by actually moving towards financing the sustainable activities of some integrated companies. This itself implies the crucial first step: restricting financing to companies expanding oil and gas production - especially as 19 of these 20 banks are involved in the Net Zero Banking Alliance (NZBA), which should encourage immediate action in this regard.[10] The report also lays out how much (or rather, how little) of the financing granted by the 20 largest European banks goes to the "clean side" of some of the major fossil fuel companies, in comparison to how much supports their fossil fuel roots.

In the context of transition planning, the continuous support to fossil fuel development showcased in this report is bound to trigger reactions. Financial supervisors will need to look at how the results measure up to their prudential expectations, and whether the published claims and plans of financial institutions are greenwashed. At the same time, policymakers will need to respond by ensuring the content of transition plans is strictly defined and integrates the end of fossil fuel development.[11]

1. EUROPEAN BANKS: A PATHWAY OF DEPENDENCY TO THE FINANCING OF OIL AND GAS EXPANSION

Despite commitments to carbon neutrality by 2050, most of Europe's major banks have not yet turned the page on their support for the expansion of the oil and gas sector, as shown by the amount of financing provided to oil and gas projects and developers since 2021 (a). Not only does the behavior of most European banks not match the level of ambition required by the climate crisis, they also have flawed policies that fail to exclude some of the most climate-damaging companies - a step which is long overdue (b).

a. European banks' responsibility for fuelling oil and gas expansion

It has been three years since the International Energy Agency (IEA) first stated in its Net Zero Emissions by 2050 (NZE) report that limiting global warming to the Paris Agreement goal of 1.5°C above pre-industrial levels requires no new oil and gas fields development, excluding those already approved by December 31, 2021.[12] Since then, a lot of research has reached similar conclusions. Still, the pace of new developments is not slowing down. According to the 2023 Global Oil and Gas Exit List (GOGEL), oil and gas producers are preparing to bring more than 237,000 million barrels of oil equivalent (mmboe) of new resources into production in the short term,[13] - more than four times the current global hydrocarbon production per year. Scientists and energy experts have also outlined the necessary conditions required for midstream oil and gas (notably liquefied natural gas) to ensure global warming is contained and the goals of the Paris Agreement stay within reach. Additionally, the IEA states in the NZE that no new liquefied natural gas (LNG) export terminals are projected as part of its 1.5°C pathway.[14]

In spite of this warning, banks continue to finance companies responsible for the development of new oil and gas fields and infrastructure. Between 2021 and 2023, there were 497 transactions concerning the 20 largest European banks and companies involved in upstream oil and gas expansion, and 428 transactions for midstream oil and gas (See Table 1). Combined, there were a total of 816 deals contributing either to upstream or midstream expansion during this period. Ironically, 2021 was the year that banks committed to the NZBA and its objective of reaching carbon neutrality in 2050 - these financing figures show the extent to which European banks have been behaving contrary to this goal ever since.

Taken together, the transactions above add up to a substantial volume of financing. Between 2021 and 2023, the 20 largest banks headquartered in Europe provided US$234.6 billion to companies expanding all fossil fuels, among which **US$200.3 billion went to companies expanding upstream and midstream oil and gas**. This amount cannot be ignored - it accounts for around 20% of global financing allocated to oil and gas developers over the period.[15]

By country, the leaders are clear: banks headquartered in France (US$58.3 billion) and the UK (US$57.6 billion) account for 58% of the total financial dealing (see Appendix 2). It is also striking to note that the financing is heavily concentrated among the first 14 bankers of oil and gas expansion, with these players totalling 97% of the whole - this is visible in the significant gap in financing between Groupe BPCE and NatWest.

Table 1. Number of transactions from the 20 largest European banks to companies developing (as of September 2023) upstream and/or midstream projects, ranked by corresponding volume of financing, 2021-2023

Bank	Number of transactions to upstream developers	Number of transactions to midstream developers (LNG and pipelines)	Number of transactions to upstream and/ or midstream developers[16]	Total amount (in US$ million)
Barclays	145	150	258	22,204
HSBC	133	137	237	22,072
BNP Paribas	133	121	214	19,340
Santander	79	127	178	16,748
Crédit Agricole	113	113	197	15,858
Deutsche Bank	68	123	159	15,841
Société Générale	90	115	174	14,093
UBS	131	98	204	12,500
ING Group	82	68	138	11,225
Standard Chartered	75	50	108	9,253
BBVA	60	87	137	8,837
UniCredit	41	38	61	8,697
Intesa Sanpaolo	41	66	91	8,641
Groupe BPCE	60	74	121	8,348
NatWest	15	41	47	2,936
DZ Bank	9	28	32	1,215
Lloyds Banking Group	8	6	11	1,144
Rabobank	10	2	12	714
La Banque Postale		4	4	392
Crédit Mutuel	1	5	5	307
Total	497	428	816	200,364

Source: Banking on Climate Chaos, 2024

Table 2. Top three upstream and midstream expansion clients (by amount of financing) of the 20 largest European banks, 2021-2023

Bank	Top 3 clients (among upstream developers)	Top 3 clients (among midstream developers)
BBVA	Petroleos Mexicanos - TotalEnergies SE - Ecopetrol SA	Enel SpA - Venture Global LNG Inc - Comisión Federal de Electricidad
Barclays	Eni SpA - Marathon Oil Corp - ExxonMobil Corp	Enbridge Inc - TC Energy Corp - ExxonMobil Corp
BNP Paribas	TotalEnergies SE - Eni SpA - Aker BP ASA	TotalEnergies SE - Saudi Arabian Oil Co - Snam SpA
Crédit Agricole	Eni SpA - TotalEnergies SE - Saudi Arabian Oil Co	Enbridge Inc - TotalEnergies SE - Eni SpA
Crédit Mutuel	Woodside Energy Group Ltd	Engie SA - Vier Gas Holdings Sarl - Woodside Energy Group Ltd
Deutsche Bank	QatarEnergy - ExxonMobil Corp - BP PLC	Adnoc Gas PLC - BP PLC - E.ON SE
DZ Bank	RWE AG - Petroleos Mexicanos - Reliance Industries Ltd	E.ON SE - NextEra Energy Inc - RWE AG
Groupe BPCE	Eni SpA - Saudi Arabian Oil Co - Energean PLC	Eni SpA - Saudi Arabian Oil Co - Energean PLC
HSBC	QatarEnergy - Petroleos Mexicanos - Dow Inc	Enbridge Inc - QatarEnergy - TC Energy Corp
ING Group	Eni SpA - Aker BP ASA - Energean PLC	Venture Global Plaquemines Lng LLC - Venture Global LNG Inc - Kinder Morgan Inc
Intesa Sanpaolo	Eni SpA - Saudi Arabian Oil Co - RWE AG	Eni SpA - NextDecade Corp - Enel SpA
La Banque Postale	No recorded client	Société d'Infrastructures Gazières - Engie SA
Lloyds Banking Group	HitecVision AS - ConocoPhillips Co - BlueNord ASA	National Grid PLC - ConocoPhillips Co - RWE AG
NatWest	BP PLC - HitecVision AS - Eni SpA	BP PLC - National Grid PLC - EnBW Energie Baden-Wuerttemberg AG
Rabobank	Castleton Commodities International LLC - Posco International Corp	Nederlandse Gasunie NV - Koninklijke Vopak NV
Santander	Ecopetrol SA - Eni SpA - TotalEnergies SE	Cosan Ltd - NextDecade Corp - Venture Global LNG Inc
Société Générale	Eni SpA - TotalEnergies - SE ExxonMobil Corp	Enbridge Inc - TotalEnergies SE - ExxonMobil Corp
Standard Chartered	Saudi Arabian Oil Co - Chevron Corp - Eni SpA	Saudi Arabian Oil Co - Chevron Corp - NextDecade Corp
UBS	QatarEnergy - Korea National Oil Corp - HighPeak Energy Inc	QatarEnergy - Cosan Ltd - China Gas Holdings Ltd
UniCredit	Eni SpA - Aker BP ASA - RWE AG	Eni SpA - EnBW Energie Baden-Wuerttemberg AG - Enel SpA

Source: Banking on Climate Chaos 2024

The five biggest bankers of upstream and midstream oil and gas expansion from 2021 to 2023 are the following: **Barclays, HSBC, BNP Paribas, Santander and Crédit Agricole**. The total number of transactions involving these biggest bankers is particularly eye-catching: on average, the top five were involved in at least one out of every four transactions. In the case of Barclays, this was almost one out of every three transactions.

Six banks stand out for having increased their financing to fossil fuel expansion over recent years (see Appendix 1). **Santander** is towering over its peers with its three-fold increase in financing to oil and gas companies from 2022 to 2023. Likewise, Spanish bank **BBVA** ranks as the 11th biggest banker of oil and gas expansion, having increased financing to companies expanding upstream and midstream oil and gas by 65% from 2022 to 2023. Two other European banks show surging figures over the same period: the Italian banks **Intesa Sanpaolo and UniCredit**. Intesa Sanpaolo particularly stands out with the second-highest rate of increase over the last two years of the period (70%). As far as Deutsche Bank is concerned, despite a decrease over the three-year period, a slight rise in financing is noticeable in 2023 compared to the previous year.

For each of the banks in this report, a more qualitative look into the data leads to the following conclusion: the 20 largest European banks have continued to support the companies responsible for the ongoing expansion of the oil and gas sector. In fact, oil and gas integrated companies - major companies and national oil companies (NOC) - are the most financed clients of 16 out of the 20 banks (see Table 2).

b. European banks' commitments do not match the urgency of the climate crisis

Nineteen of the 20 banks analyzed in this report have pledged to achieve carbon neutrality by 2050 consistent with their NZBA membership, and all have made some climate commitments. Yet, three years after the first publication of the IEA's NZE report, only one bank has fully acknowledged the need to halt the expansion of the oil and gas industry and is no longer supporting the development of new oil and gas fields or LNG export terminals through both project and corporate financing.

Even at the project level, only a slight majority (11) of the 20 banks have ceased providing project financing for new oil and gas fields. Meanwhile, ten have somehow restricted their support for new midstream projects, and only two have committed to stop all project financing for new LNG export terminals. This is enough to illustrate the long journey ahead for European banks to align their actions with their words. While it is important to note that project financing accounts for a very small share of total financing to the fossil fuel industry - never exceeding 5% of financial flows from 2016 to 2023 - success against oil and gas expansion now depends primarily on stopping support at the company level.

Here, the analysis is even more alarming. Starting with the very bottom of the list, three banks have no systematic criteria restricting financing to companies for general purposes: Deutsche Bank, Standard Chartered, and DZ Bank. Furthermore, though the other 17 of the 20 banks have adopted some type of decarbonization targets covering the oil and gas sector (see Box 1), only four banks have ceased strategic support for all oil and gas field developers.

- These four banks are French: Crédit Mutuel and La Banque Postale - for which the adoption of robust exclusion criteria has not significantly changed their activities due to their near-zero exposure to this sector, and BNP Paribas and Crédit Agricole - which by contrast have historically ranked high among the fossil fuel bankers in Europe and worldwide.
- BNP Paribas has announced[17] that it will abstain from participating in "conventional bond issuances" related to the oil and gas upstream sector. This followed an extended period during which the bank abstained from participating in upstream oil and gas-related transactions, a change initiated

at the beginning of 2023 and illustrated well by the decrease in its financing of oil and gas upstream expansion from 2022 to 2023. Shortly after this statement, Crédit Agricole announced it would stop supporting bonds "that do not comply with [its] green bond framework",[18] and so to oil and gas companies active in the upstream part of the value chain.[19]

Four other banks, all based in the UK, acknowledge the problem of oil and gas expansion and the need to consider when supporting companies in the sector, but their policies are far too weak to be impactful.

- NatWest and Lloyds Banking Group exclude companies that develop new tar sands projects, a measure adopted several years ago and that helped address the full extent of expansion in the sector, regardless of a company's level of exposure to tar sands. However, this approach is today no longer sufficient, since all forms of expansion, be it unconventional or conventional, must end.
- Barclays's policy[20] states that "non-diversified groups where more than 10% of their total planned oil and gas capital expenditure is in long-lead expansion" could be excluded starting in January 2025. But this is not a guaranteed outcome, and it covers only a minority of companies. Indeed, among specialized companies, many focus on shale oil and gas production, which, by definition, involves short-lead expansion. Not surprisingly, we find many of Barclays's clients among these companies: for example, 2024 data shows heavy ties between Barclays and numerous companies active at 100% in shale oil and gas exploration and production, including Permian Resources, The Williams Companies, Devon Energy Corporation, and Diamondback Energy.[21] This support to companies involved in short-lead expansion clearly demonstrates the hypocrisy of the bank, which acknowledges the damage caused by fracking to the environment and climate but only commits to cease financing to companies with significant involvement in this kind of activity .
- The situation is similar at HSBC,[22] which uses plans related to the exploration and development of new oil and gas fields as one of the criteria for assessing companies' transition plans. However, failure to end expansion is not a strict exclusion criterion. Furthermore, HSBC does not specify any deadline by which a company must adopt a transition plan in order to remain its client. Since HSBC's policy was adopted, and even as recently as 2024, some transactions involving HSBC are evidence that this is already a broken promise. For example, the British bank was able to support Saudi Aramco, several oil and gas majors, as well as China National Petroleum Corporation and Occidental Petroleum Corporation, all of which are among the 50 largest upstream developers.[23]

This indicates a troubling trend among European banks - increasingly allowing exceptions to already weak exclusion criteria for energy companies under the pretext of the transition plans in place at these companies. At some of the banks, no further information is provided regarding the criteria used to assess the credibility of company transition plans, or the specific criteria that would systematically trigger a company's exclusion (Barclays, UBS, Santander, BBVA, and NatWest, for example). While they claim to have a screening process for their clients' transition plans, failing to incorporate the end of oil and gas expansion as a minimum requirement in this process contradicts most credible transition plan frameworks.

On top of this, the vast majority of the main European financial backers of oil and gas that have set exclusion criteria for companies only cover the exclusion of a portion of the sector. Many policies focus solely on companies that generate a specific percentage of revenue or production from unconventional fossil fuels. Yet, this type of restriction is insufficient to eliminate all corporate support that could contribute to the development of the targeted unconventional fossil fuels. Among numerous examples, Groupe BPCE's very recent transaction to the integrated company Repsol[24] is illustrative of this: despite

Box 1. Focus on the 20 European banks' decarbonization targets

17 of the 20 banks have set decarbonization targets covering the oil and gas sector, with a total of 32 targets. 15 banks have adopted targets for oil and gas financed emissions, while four of these banks have also set targets for reducing their exposure.[25]

Both types of targets concern loans[26] provided by banks to the oil and gas industry. However, while exposure reduction tracks the total absolute debt owed by the industry, financed emissions targets attempt to report on the emissions linked to those loans - though it's highly uncertain that they do capture accurately these emissions.

Indeed, the concept of financed emissions has been promoted by an industry body known as the Partnership for Carbon Accounting Financials (PCAF). They use attribution factors which are based on the logic that the higher the proportion of financing a bank provides for a client, the more of its emissions that institution should take responsibility for.

The use of these attribution factors, however, means there is only a weak link between changes in financed emissions and real-world corporate emissions. The attribution factors are based on corporate value, with the result that a bank's financed emissions for a sector could drop if the combined value of the companies in the bank's sectoral portfolio increases, even without any fall in the companies' emissions and/or in the bank's volume of financing to that sector. The opposite is true if the value of the companies in a portfolio falls.

And that indeed seems to be the case. 14 of the 15 banks that adopted oil and gas financed emissions targets have already reported achieving significant reductions compared to their goals, with four of them - Barclays, Deutsche Bank, ING, Lloyds - having even exceeded their targets. Crédit Agricole also raised its 2030 target, increasing it to -75%, after reporting a 40% reduction in its emissions between 2020 and 2022 (thus exceeding its initial -30% target). However, a simple comparison between these reductions and the funds provided during the same period to companies developing new fossil fuel fields clearly demonstrates that these targets do not guarantee a real decrease in emissions and may even appear fraudulent.

Conversely, exposure reduction targets show a stronger potential to limit the provision of new loans to companies in the sector, provided they are ambitious enough and cover the entire industry. For instance, while Société Générale appeared in no fewer than 13 bonds for developers of new oil and gas fields in 2024, the bank provided only two direct loans to these companies that same year - something that could be explained by its target to reduce its exposure to the sector by 50% by 2025 and by 80% by 2030. However, exposure reduction targets restrict but do not prevent all new support, as illustrated by BNP Paribas' support for a sustainability-linked loan to Eni last December and Crédit Agricole's loan to Mitsui & Co in March 2024.

In conclusion, banks should adopt sectoral portfolio financing volume targets that include exposure targets and also cover capital markets. However, this must be complemented by the adoption of strict exclusion criteria for companies involved in developing new oil and gas upstream projects and LNG export projects.

the bank's long-adopted policy targeting companies active in fracking, it supported Repsol despite the fact that 30% of its current resources under development are assigned to fracking.[27]

A new measure has also emerged over the past three years: the exclusion of companies specializing in exploration and production. This option has been adopted by BNP Paribas and Crédit Agricole (still relevant for loans), and notably by Société Générale and ING (since the Dutch bank last updated its commitments). Yet, the measure is still far from able to prevent the development of new oil and gas fields, as these companies account for, at best, 27% of short-term expansion and 24% of current production.[28]

Table 3. Policies of the 20 largest European banks for the oil and gas sector

Bank	Restrictions for upstream projects	Restrictions for LNG export terminal projects	Restrictions for companies developing upstream projects	Restrictions for companies developing LNG export terminal projects
BBVA				
Barclays				
BNP Paribas				
Crédit Agricole				
Crédit Mutuel				
Deutsche Bank				
DZ Bank				
Groupe BPCE				
HSBC				
ING[29]				
Intesa Sanpaolo				
La Banque Postale				
Lloyds Banking Group				
NatWest				
Rabobank				
Santander				
Société Générale				
Standard Chartered				
UBS				
UniCredit				

no or very weak restrictions

incomplete restrictions (e.g. oil or gas only)

comprehensive restrictions

robust restrictions

2. TRANSITION VERSUS BUSINESS AS USUAL: THE PROGRESS OF EUROPEAN BANKS IS TOO SLOW

One thing is obvious when comparing the big numbers from 2021, 2022 and 2023 to those of 2024: banks are not moving fast enough towards more ambitious commitments and a real change in behavior. In other words, they are not measuring up to the current need to operate a transition (a). Even BNP Paribas and Crédit Agricole, which have recently begun to cut down on their support for companies producing oil and gas through corporate bonds, are only halfway there. While this has real consequences for their practices, and sets an example that their peers should follow, they need to exceed it to be considered front-runners (b).

a. Weak policies mean most banks can still throw fuel on the fire

Most European banks have trampled on their commitment to carbon neutrality by 2050 by continuing to regularly provide essential financial services to oil and gas developers throughout 2024. Globally speaking, the 20 largest European banks have taken part in 166 transactions to companies expanding upstream or midstream oil and gas in 2024, bringing the total number of deals to these companies since 2021 to 982. The frequency of this financing to oil and gas developers is comparable to that of 2023 (see Appendix 4) - as of September 10, 2024, the 20 banks combined had completed 67% of the number of transactions to upstream or midstream developers in 2023, this total being driven by 14 banks particularly exposed to the sector.

Given the weakness of European banks' policies, neither of the two top financiers of oil and gas expansion between 2021 and 2023, Barclays and HSBC, have changed their behavior in relation to oil and gas expansion. Based on the number of transactions, Barclays continues to lead, recording a very high number of 76 transactions as of September 10, 2024 (see Table 4). Indeed, the British bank has not slowed down the pace of its activity, and neither has HSBC, despite dropping two ranks compared to 2021-2023. Nine months into 2024, Barclays has almost matched its total number of transactions to upstream developers in 2023 (42/43), while HSBC has already exceeded its total (31/29) (see Appendix 4).

It is also striking to note that BBVA and Deutsche Bank now rank among the top bankers by number of transactions to the sector - an outcome that corresponds to the fact that they stood out previously for raising their financing over the 2021-2023 period.

Overall, the number of the transactions completed so far in 2024 remains similar to those in previous years, while the clients of the largest European banks continue to include the most climate-damaging companies. A qualitative analysis of oil and gas developers supported by the banks reveals the predominance of integrated companies, particularly major corporations and national oil companies (NOCs). Among them are:

- **TotalEnergies**, the publicly-listed oil and gas major with the biggest short-term expansion plans, in the biggest number of countries.[30] The French major, which ranked among the top clients of five banks between 2021 and 2023 (BBVA, BNP Paribas, Crédit Agricole, Santander, Société Générale), has once again found support from European banks in 2024. However, it is worth noting the absence of BNP Pari-

Table 4. Deals of the 20 largest European banks companies with upstream and/or midstream expansion plans in 2024

Bank	Number of transactions to upstream developers	Number of transactions to midstream developers (LNG and pipelines)	Number of transactions to upstream and/or midstream developers
Barclays	42	46	76
BBVA	29	35	55
Deutsche Bank	32	39	53
HSBC	31	35	53
Société Générale	14	38	46
Santander	24	34	45
Crédit Agricole	4	42	43
Standard Chartered	33	16	38
Groupe BPCE	12	30	32
BNP Paribas	4	18	21
Intesa Sanpaolo	4	20	21
ING	10	11	20
UBS	14	7	16
UniCredit	10	9	16
DZ Bank	1	7	7
NatWest	3	2	5
Rabobank	0	5	5
Lloyds Banking Group	2	0	2
La Banque Postale	0	0	0
Crédit Mutuel	0	0	0
Total	99	109	166

Source: Bloomberg LP

bas and Crédit Agricole from its two bond packages issued in April and September - the company's two largest financiers in the past. The first US$4.3 billion bond package was instead facilitated by **Groupe BPCE, Deutsche Bank, and Standard Chartered** in April, and the second US$3.0 billion bond package was issued with help from **HSBC, Santander and Société Générale** in September.

- **Saudi Aramco**, the world's largest oil and gas developer and one of the top clients of five banks between 2021 and 2023 (BNP Paribas, Crédit Agricole, Groupe BPCE, Intesa Sanpaolo, and Standard Chartered), also received additional financing in 2024 through a three-tranche US$6.0 billion bond issued in July supported by **Groupe BPCE, HSBC, and Standard Chartered**. Notably, BNP Paribas and Crédit Agricole were again absent from the support for this bond issuance, which plans to bring 16,800 mmboe of new resources into production in the near future[31] - or about 30% of current global hydrocarbon output.

However, apart from these huge diversified clients, the credit tap also remains open for upstream pure players and, unsurprisingly, for midstream developers for which no restriction has yet been adopted by the major European banks. The analysis of deals in 2024 shows no fewer than 109 deals for companies developing new LNG terminals or pipelines, as of September 10, 2024.

- **Venture Global LNG**, the world's largest liquefaction terminal developer[32] and owner of the Plaquemines LNG terminal project, was ING's best midstream client, and among the best clients of BBVA and Santander over the 2021-2023 period. The gas giant also issued a US$1.5 billion bond in July 2024 that saw the involvement of **BBVA, ING, Santander, Groupe BPCE, Deutsche Bank and DZ Bank.**
- **Enbridge**, a Canadian company that plans to develop 1,260 kilometers of pipeline as well as new LNG export capacities,[33] was the most financed midstream company of Barclays, Crédit Agricole, HSBC and Société Générale over the 2021-2023 period. In 2024, Enbridge issued US$4.7 billion worth of bonds in April and June, with the participation of a syndicate featuring **Crédit Agricole, Barclays, Deutsche Bank and Société Générale.**

As this shows, while BNP Paribas and Crédit Agricole are on track to exit from upstream deals, they remain among the financiers of LNG, highlighting a significant weakness even in their policies.

b. Crédit Agricole and BNP Paribas improve, but must continue their efforts

The decision of BNP Paribas and Crédit Agricole to abstain from participating in conventional bond underwriting for upstream oil and gas is already having a visible impact on the number of transactions in the sector, as reflected in the data. BNP Paribas's financing to companies active in upstream oil and gas from 2021 to 2023 was reduced to around 15%, going from US$7.2 billion to US$1.1 billion. The same decreasing trend is visible for Crédit Agricole, though less steep, with financing reduced to around 45%, from US$4.5 billion to US$2.0 billion between 2021 and 2023 (see Appendix 1). The impact is also clear when looking at the number of transactions to upstream companies in the past three years (see Table 5).

BNP Paribas and Crédit Agricole's decision and new practices, as incomplete as they may seem, have widened the gap with their biggest peers, including their French counterparts Société Générale and Groupe BPCE. If generalized to the 20 largest European banks, ending the facilitation of conventional bonds for the oil and gas industry would significantly impact the capacity of those developing oil and gas fields to secure financing in Europe. Indeed, over the 166 transactions involving the 20 banks and upstream or midstream developers in 2024, 143 were bond issuances.

This highlights the importance of extending the policy of not supporting bond issuances to companies developing midstream oil and gas, which the two French banks have yet to do. While BNP Paribas and Crédit Agricole provided support only four times to oil and gas producing companies, they have respectively been involved in 18 and 42 deals to companies involved in the development of new midstream infrastructure (some also being upstream developers). Transition does not mean trading one part of the oil and gas business for another equally harmful one. This is especially true regarding gas liquefaction activities - in this context, BNP Paribas and Crédit Agricole are still far from fully aligning with the Paris Agreement's 1.5°C objective. Indeed, Crédit Agricole was involved in deals with Sempra and Energy Transfer, two of the largest liquefaction expanders worldwide,[34] while BNP Paribas also supported Sempra.

Table 5. Number of transactions from BNP Paribas and Crédit Agricole to upstream and midstream developers in 2024, split by lending/capital markets

	2022		2023		2024	
Bank	**Number of transactions to upstream developers**	**Number of transactions to midstream developers**	**Number of transactions to upstream developers**	**Number of transactions to midstream developers**	**Number of transactions to upstream developers**	**Number of transactions to midstream developers**
BNP Paribas	**51**	**56**	**19**	**35**	**4**	**18**
Bonds	*21*	*24*	*6*	*23*	*3*	*16*
Loans	*30*	*32*	*13*	*12*	*1*	*2*
Crédit Agricole	**33**	**30**	**29**	**48**	**4**	**42**
Bonds	*11*	*8*	*12*	*27*	*1*	*35*
Loans	*22*	*22*	*17*	*21*	*3*	*7*
Total	**84**	**86**	**48**	**83**	**8**	**60**

Source: Banking on Climate Chaos 2024, Bloomberg LP

The reasons behind the eight transactions by BNP Paribas and Crédit Agricole in favor of upstream oil and gas developers in 2024 must also be taken into account. Four of these are loans, and therefore not covered by the announcements to end support for conventional bonds. While they are expected to become minimal because of the banks' exposure reduction targets (see Box 1), one of the latest loans provided by Crédit Agricole in March 2024 to Mitsui & Co, the 39th largest oil and gas upstream developer, demonstrates the need to extend the bank's announcement on capital markets to lending. The remaining four transactions are bonds. While Crédit Agricole's support to Eni's bond issuance dates from January 2024, before the bank made its announcement, BNP Paribas's support for three bond issuances[35] by Schlumberger took place in May. Schlumberger, an industrial company that primarily provides services to the industry, has minimal expansion plans in the oil and gas sector. A similar case is that of BNP Paribas and Crédit Agricole's loans to RWE, a player that currently produces very little oil and gas but plans to expand in this area. These kinds of continued financial support clearly indicate the need to adopt the broadest possible definition of companies covered in banks' oil and gas policies - an improvement already highlighted by the French regulator Autorité de contrôle prudentiel et résolution (ACPR) in its 2024 report on the oil and gas sector policies of French banks.[36]

3. THE ARGUMENT OF FINANCING THE TRANSITION HAS HAD ITS DAY

The red line outlawing oil and gas expansion drawn years ago by the IEA is clear, yet many integrated companies that continue to develop new oil and gas resources and infrastructure claim to be transitioning (a). The reality as a consequence is that, when financing these companies, banks are only allocating a small share of their financial flows to non-fossil fuel activities - they are not trying hard enough to make these clients actually contribute to the energy transition (b). For these reasons, banks must include the imperative of halting the development of new oil and gas resources and infrastructure in their public requests for company transition plans.

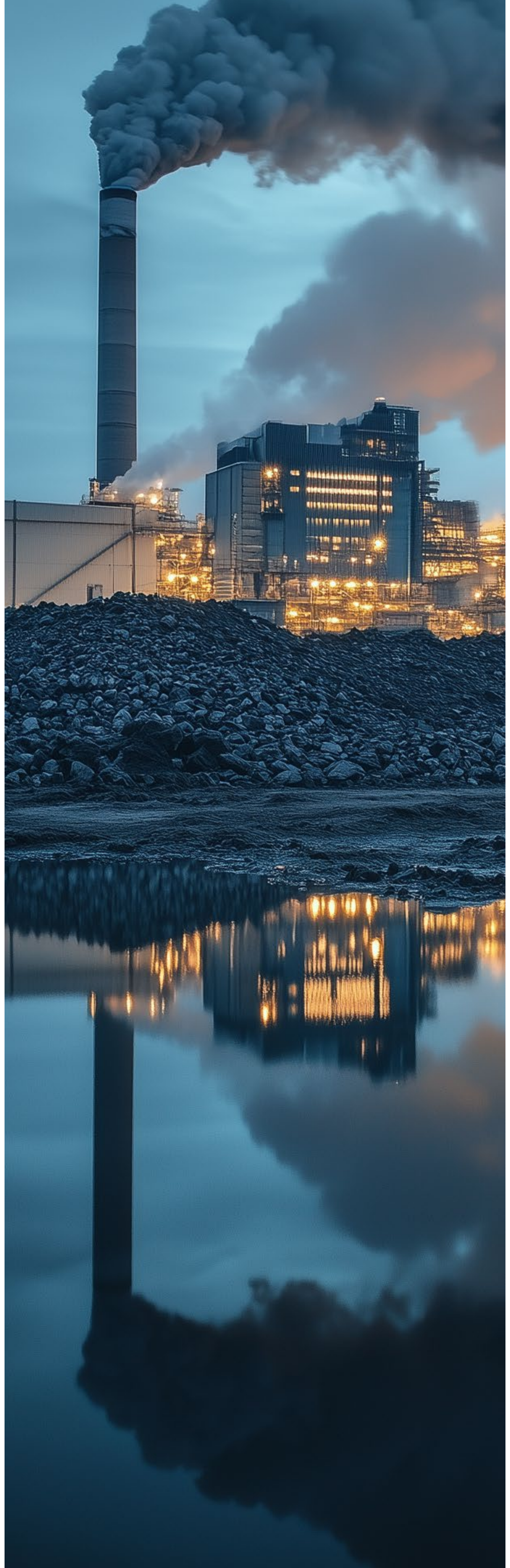
a. The myth of diversified oil and gas company transition is still going strong

The idea that the sector could shift its model towards low-carbon energies falls apart when confronted with the figures, which reveal an overwhelming disparity: investments in fossil fuels dwarf those made in sustainable or low-carbon alternatives, with no shift expected - as evidenced by the capital expenditure (CAPEX) committed to new oil and gas projects. In 2023, the oil and gas sector represented only 1.2% of total clean energy investment globally, which led the IEA to declare that "for the moment the oil and gas industry as a whole is a marginal force in the world's transition to a clean energy system".[37]

Instead, of all 700 producers in the Global Oil and Gas Exit List, 96% have either expansion or exploration activities, nearly all of which are incompatible with the goal of limiting global warming to 1.5°C. The current plans of oil and gas companies - and notably the programmed increase of production via the development of new fields and infrastructures - are also at odds with the 1.5°C target, as well as with the 18% and 21% reductions in gas and oil production by 2030 projected in the IEA's NZE.

Major oil and gas companies are no exception to these observations. Focusing on the six largest European oil and gas companies **(TotalEnergies, Shell, BP, Equinor, Eni and Repsol)** underscores that the notion of these major firms realigning their operations in support of the transition is ultimately a mirage. Despite their financial clout, which could enable them to reassess their business models to genuinely shift towards sustainable energies, their primary focus remains on the oil and gas industry, where they continue to thrive, with some of the biggest plans to expand their hydrocarbon production worldwide. Combined, they account for the expected development of 24,166 mmboe of new resources,[38] which is equivalent to roughly six times the annual oil production of the United States. More than half of these resources were approved after December 31, 2021 and go entirely against the IEA's NZE projections, in addition to being destructive to the environment and ecosystems involved.

In 2023, some companies scaled back their already poor climate ambitions. For instance, BP significantly decreased its oil and gas production reduction target, first from a 40% reduction by 2030 to only a 25% reduction,[39] and then more recently completely inverted the objective by announcing that its production will increase.[40] In the same year, Shell dropped plans to cut its oil production by 2030, instead projecting a plateau.[41] More recently, TotalEnergies used its investor day in September 2024 to announce the company's new aim to increase both its oil and gas production by 3% per year until 2028 - with even higher increase rates for 2025 and 2026[42] - a

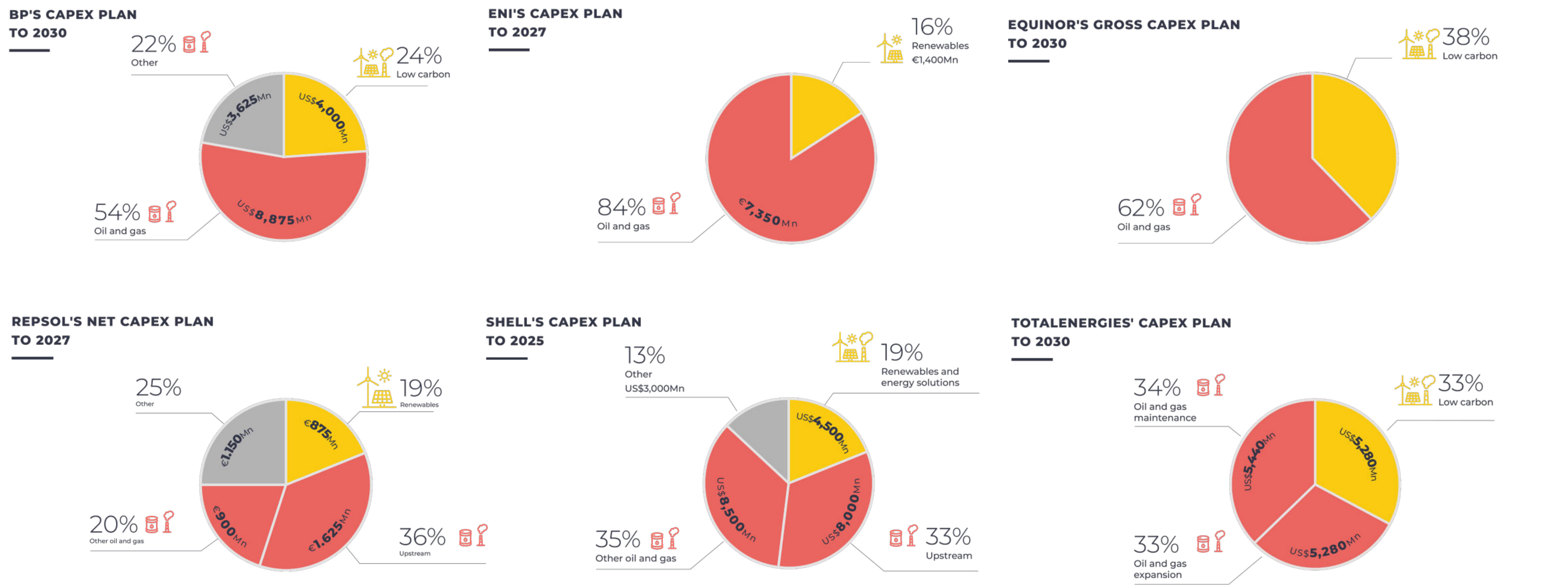


roadmap far less ambitious than it is even climate-wise.

When classifying their activities, integrated companies use a "low-carbon" category that encompasses, at best, renewable energy only and, at worst, a mix of renewable and unsustainable technologies or false solutions such as biomass and biofuels[43] - even gas-fired power generation can be classified as a clean means of power production. Regarding their respective investment plans for 2030, it is remarkable to note that none of these six largest European oil and gas companies plan to allocate more than one-third of CAPEX to "low-carbon" or "other-than-fossil" activities - none of which can in reality be considered sustainable solutions. As a result, these so-called low-carbon activities should represent, at best, 15% of the energy mix of these companies in 2030,[44] meaning the profile of these integrated companies will still be deeply rooted in fossil fuels.

In alignment with the figures in this report, while the majority of funding directed towards oil and gas companies supports fossil fuel activities, our economies continue to remain dependent on oil and gas. Among the handful of upstream companies that do not plan to expand in the short or medium term, very few have recently received financing from a major European bank.[45] Instead, the continued financing of the bulk of the industry by the largest European banks means financial institutions not only risk delaying the transition, but also exposing their portfolios to stranded assets in the future, when the energy transition accelerates.

Chart 1. Charts of the six largest European oil and gas companies and their planned investments for the coming years in oil and gas versus their investments in "low-carbon activities"



Source: Assessment of oil and gas companies' climate strategy, Reclaim Finance

b. Financing to diversified companies is mostly for fossil fuel activities

Financial institutions still use the argument that they are helping companies in the fossil fuel sector transition away from traditional activities to justify their continuing support to certain companies, especially their best and most profitable clients: the six largest integrated oil and gas companies headquartered in Europe. Between 2021 and 2023, the 20 largest European banks granted **US$48 billion** in financing to these six oil and gas heavyweights, including **US$35 billion in fossil fuel financing and only US$13 billion in non-fossil fuel[46] financing**.

Some banks seem to be trying harder than others to allocate financing as a priority to the non-fossil fuel activities carried out by these companies. The large gap between the banks with 100% of non-fossil fuel financing and the rest strongly splits them into two categories, with those under 100% immediately falling in the "laggards" group.

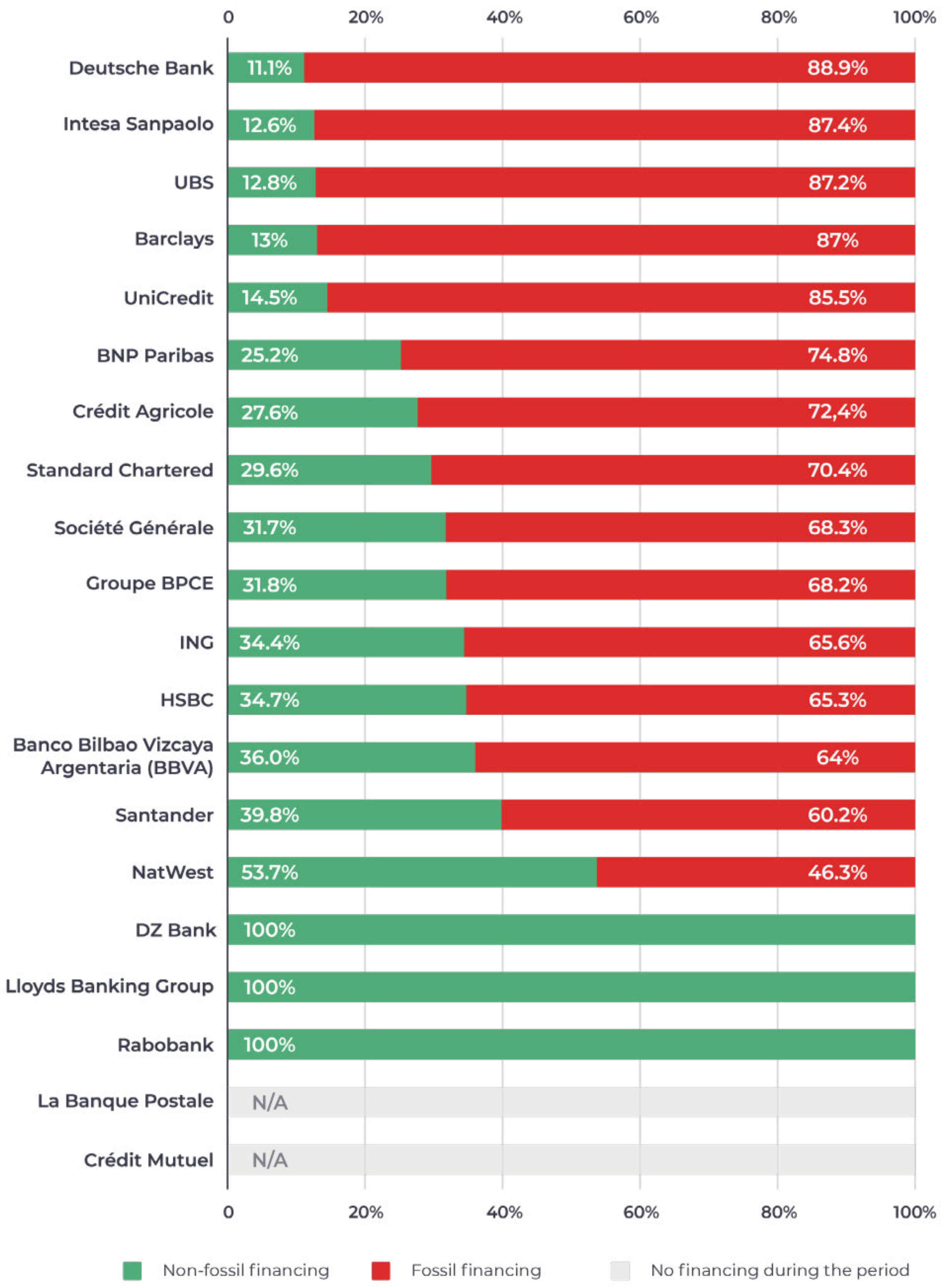
- During 2021-2023, DZ Bank, Lloyds Banking Group and Rabobank directed their financing exclusively towards the non-fossil fuel activities of the major European companies using project financing. This goes to show that it is possible to finance oil and gas integrated companies via project financing for sustainable activities only - whereas corporate financing to these developers means support goes largely to fossil fuel activities and to almost no non-fossil fuel activities.[47]
- In comparison, the biggest peers of these three banks performed poorly in this regard during the same period - even those with the largest share of financing to

non-fossil fuel activities. HSBC (34.7%), ING (34.4%), Groupe BPCE (31.8%), and Société Générale (31.7%) barely dedicated a third of financing to the non-fossil fuel activities of the European companies. Only NatWest (53.7%) allocated more than half of its financing to non-fossil activities over the period.

- On average, **Deutsche Bank (11.1%), Intesa Sanpaolo (12.6%), UBS (12.8%), Barclays (13%) and UniCredit (14.5%)** financed non-fossil fuel activities the least in 2021-2023. Four of these banks stood out earlier in this report for their solid ties with the oil and gas industry. Firstly, Deutsche Bank saw rising figures in 2023, a trend that was confirmed in 2024: the German group participated in the greatest number of transactions (13) involving the biggest European oil and gas companies out of all 20 European banks, including eight involving BP. Secondly, Intesa Sanpaolo and UniCredit increased their financing to companies expanding oil and gas between 2021 and 2023. And thirdly, Barclays - the largest bank in this report - maintained its position as European leader of oil and gas financing by volume from 2021 to 2023, as well as by number of transactions in 2024. This last point also highlights that the volume of financing for the non-fossil fuel activities of oil and gas companies is not proportional to the size of the bank.

In short, any bank's claim that it cannot put an end to its relationships with diversified companies because it supports their transition is deceptive. Most of Europe's major banks primarily finance the fossil fuel activities of large diversified companies - comforting these clients in their expansion strategy rather than promoting cleaner activities.

Chart 2. The 20 largest European banks and their share of financing to the six largest European diversified oil and gas companies: non-fossil fuel activities versus fossil fuel activities, 2021-2023



Source: Banking on Climate Chaos 2024, Bloomberg LP, IJGlobal

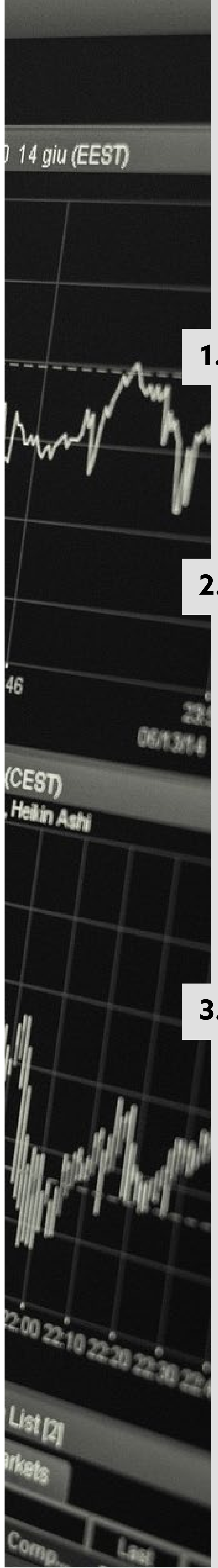
CONCLUSION

Have banks started to embark on the transition journey? The answer is pretty clear: by continuing to finance fossil fuel development, they are actually working against transition planning and climate goals, pushing the 1.5°C - and even 2°C - target out of reach. The largest European banks can no longer hide behind the excuse that they are helping their fossil fuel clients in the transition process, since only a marginal share of the financial services provided to these companies is dedicated to sustainable activities.

What does this mean for financial supervisors? As banks start adopting climate transition plans - notably following the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD)[48] - as a way to give substance to their previous commitments (including those made through the NZBA),[49] fossil fuel policies should be increasingly scrutinized and any support to oil and gas expansion noted. Robust fossil fuel policies are essential if the sustainability claims and messaging of banks is to be justified. Robust policies also indicate proper management of climate-related risks. With the end of oil and gas development being identified by many frameworks as a central element to the design of transition plans,[50] and transition plans themselves being considered as key forward-looking information by financial supervisors,[51] the lack of corresponding clear criteria in the fossil fuel policies of European banks could easily be qualified and sanctioned as greenwashing, and trigger capital surcharges.

Of course, financial supervisors should still clarify this. They can do this by explicitly integrating clear oil and gas policies into their stated expectations of prudential transition plans, as well as into their criteria for analyzing the claims of financial institutions for greenwash.[52]

By far the fastest and most straightforward path to ensure financial institutions do not stay stuck on the starting line of transition planning, however, is for policymakers to design much more precise transition plan requirements.[53] These need to include a ban on financial services to fossil fuel development, prioritizing upstream oil and gas and gas liquefaction activities. At the same time, policymakers should provide financial supervisors with adequate resources to carry out their related missions, with enforcement mechanisms set in place.



OUR DEMANDS

1. **To banks:**

- Adopt ambitious restrictions towards corporate clients, especially those involved in the expansion of upstream and midstream oil and gas. This includes ending general purpose corporate financing to these clients in the future. This restriction should be applied to both lending and capital market services.

2. **To European financial supervisors:**

- Investigate discrepancies between the communications and practices of financial institutions and sanction greenwashing. Start by looking at the coherence between fossil fuel financing and climate pledges.
- Explicitly integrate policies that restrict fossil fuel financing in the tools for managing climate-related risks, and reflect this in related prudential obligations and capital requirements. This should specifically address the high risk of assets tied to new fossil fuel projects or to companies that develop such projects.
- Set minimum expectations regarding the content of transition plans, including criteria to end the financing of fossil fuel development, and conduct specific supervisory exercises.

3. **To European policymakers:**

- Set minimum requirements for the content of transition plans, including criteria to end the financing of fossil fuel development, and mechanisms to ensure their adoption and implementation.
- Provide financial supervisors with sufficient means and resources to address the growing risk of greenwashing, and other climate-related needs.

APPENDICES

Appendix 1. Evolution of the amount of financing provided by the 20 largest European banks to companies expanding upstream and/or midstream oil and gas, 2021-2023 (in US$ million)

Rank	Bank	2021	2022	2023	Total
1	Barclays	7,914.58	7,444.90	6,844.44	22,203.92
2	HSBC	11,090.47	6,578.28	4,403.48	22,072.23
3	BNP Paribas	8,114.78	8,150.56	3,074.83	19,340.17
4	Santander	4,814.71	2,761.92	9,170.88	16,747.51
5	Crédit Agricole	5,776.83	5,294.72	4,786.70	15,858.25
6	Deutsche Bank	6,615.92	4,503.68	4,720.91	15,840.51
7	Société Générale	6,998.68	4,370.86	2,723.27	14,092.81
8	UBS	6,693.19	3,657.69	2,149.07	12,499.95
9	ING Group	4,353.13	3,547.61	3,324.25	11,224.99
10	Standard Chartered	3,807.24	3,025.09	2,420.65	9,252.98
11	BBVA	2,707.96	2,304.39	3,824.38	8,836.73
12	UniCredit	2,263.95	3,638.94	2,794.38	8,697.27
13	Intesa Sanpaolo	2,243.66	2,371.27	4,026.24	8,641.17
14	Groupe BPCE	3,257.89	2,778.02	2,312.24	8,348.15
15	NatWest	1,423.63	1,166.71	345.39	2,935.73
16	DZ Bank	195.24	133.85	886.24	1,215.33
17	Lloyds Banking Group	598.57	494.30	50.63	1,143.50
18	Rabobank	163.93	401.72	147.94	713.59
19	La Banque Postale	279.4		112.51	391.91
20	Crédit Mutuel	63.89	29.55	213.85	307.29
Total		79,377.65	62,654.05	58,332.26	200,363.96

Source: Banking on Climate Chaos, 2024

Appendix 2. The amount of financing provided by the 20 largest European banks to companies expanding upstream and/or midstream oil and gas during 2021-2023, aggregated by country of headquarters (in US$ million)

Country of headquarters	Financing to oil and gas upstream and/or midstream expansion during 2021-2023 (in US$ million)
France	58,339
United Kingdom	57,608
Spain	25,584
Italy	17,338
Germany	17,056
Switzerland	12,500
Netherlands	11,939
Total	200,364

Source: Banking on Climate Chaos, 2024

Appendix 3. Lending versus underwriting split for the amount of financing provided by the 20 largest European banks to upstream and/or midstream expansion, 2021-2023 (in US$ million)

Bank	Loans	Underwriting	Total
Barclays	13,397	8,807	22,204
HSBC	12,488	9,584	22,072
BNP Paribas	11,192	8,148	19,340
Santander	7,740	9,007	16,748
Crédit Agricole	10,701	5,157	15,858
Deutsche Bank	9,007	6,833	15,841
Société Générale	9,303	4,790	14,093
UBS	4,558	7,942	12,500
ING	7,968	3,257	11,225
Standard Chartered	6,581	2,672	9,253
BBVA	6,392	2,444	8,837
UniCredit	6,040	2,658	8,697
Intesa Sanpaolo	6,246	2,395	8,641
Groupe BPCE	5,895	2,453	8,348
NatWest	1,333	1,602	2,936
DZ Bank	700	515	1,215
Lloyds Banking Group	1,119	24	1,144
Rabobank	551	162	714
La Banque Postale	166	225	392
Crédit Mutuel	248	59	307
Total	121,627	78,737	200,364

Source: Banking on Climate Chaos, 2024

Appendix 4. Number of transactions to upstream and/or midstream oil and gas developers by the 20 largest European banks in 2023, ranked by descending order

Bank	Number of transactions to upstream developers - 2023	Number of transactions to upstream and/or midstream developers - 2023
Barclays	43	88
HSBC	29	75
Santander	28	72
Crédit Agricole	29	70
Deutsche Bank	16	64
BBVA	13	53
BNP Paribas	19	47
Société Générale	13	46
UBS	23	44
ING Group	22	42
Groupe BPCE	13	40
Intesa Sanpaolo	16	37
Standard Chartered	21	32
DZ Bank	5	22
UniCredit	11	18
NatWest	1	7
Crédit Mutuel	0	3
Rabobank	3	3
La Banque Postale	0	2
Lloyds Banking Group	1	1
Total	128	247

Source: Banking on Climate Chaos, 2024

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16. This data point, also featured in Table 4, is equal to the sum of the first two data points minus one time the number of transactions to companies expanding both upstream and midstream oil and gas - otherwise they would be counted twice.
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21. According to the 2023 Global Oil and Gas Exit List.
22. HSBC, HSBC Energy Policy, July 2024 (adopted in December 2022), accessed 11/10/2024
23. According to the 2023 Global Oil and Gas Exit List.
24. Groupe BPCE was involved in the issuance of a US$944 million bond for Repsol in September 2024.
25. Three banks (La Banque Postale, DZ Bank and Rabobank) have no targets. Two banks (Intesa Sanpaolo, Natwest) have adopted another type of decarbonization target, which is neither an exposure reduction target nor strictly a financed emissions reduction target. ING has also adopted another type of target, in addition to the two previous ones.
26. Barclays and HSBC's targets also cover facilitated emissions, which attempt to report emissions related to capital markets activities.
27. Groupe BPCE excludes companies deriving more than 25% of their revenues from fracking or tar sand activities.
28. According to the 2023 Global Oil and Gas Exit List.
29. In its latest policy for the oil and gas sector, ING committed to end all project financing to all new LNG export terminals, but this measure will only come into force in January 2026 - hence the assessment as "comprehensive" only.
30. Amounting to 53 countries according to the 2023 Global Oil and Gas Exit List.
31. According to the 2023 Global Oil and Gas Exit List. The short-term expansion metric classifies oil and gas resources under development or field evaluation, two post-final investment decision (FID) stages.
32. With 71.1 million tonnes per annum (Mtpa) of liquefaction capacities under development.
33. According to the 2023 Global Oil and Gas Exit List.
34. According to the 2023 Global Oil and Gas Exit List: Sempra has 29.4 Mtpa of liquefaction capacities under development and 34 km of pipelines - respectively 16.5 and 609.9 for Energy Transfer.
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Reclaim Finance is an NGO affiliated with Friends of the Earth France. It was founded in 2020 and is 100% dedicated to issues linking finance with social and climate justice. In the context of the climate emergency and biodiversity losses, one of Reclaim Finance's priorities is to accelerate the decarbonization of financial flows. Reclaim Finance exposes the climate impacts of financial players, denounces the most harmful practices and puts its expertise at the service of public authorities and financial stakeholders who desire to bend existing practices to ecological imperatives.

contact@reclaimfinance.org

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