

FUND FINANCE FRIDAY

BNP Paribas Closes €2.3 Billion Syndicated ESG-linked Facility

June 12, 2020 | Issue No. 81

BNP Paribas recently closed a milestone subscription credit facility – notable for implementing an ESG-driven pricing, the size of the facility and for being widely syndicated. The facility to EQT IX Fund was initially sized at €2.3 billion with an upper limit of €5.0 billion. BNP Paribas acted as Agent, Sustainability Agent and co-Sustainability Agent with Nordic financial services group SEB. The facility implements quarterly sustainability-driven key performance indicators, which are to be audited annually, and with the fulfillment of these objectives impacting the facility margin. Broadly, the facility sets out to incentivize boardroom gender equality and renewable energy transition, each supported by a sustainable governance. Guillaume Hartog, Head of Subscription Finance at BNP Paribas, commented that while private equity is still a new frontier for green financing, BNP Paribas is committed to being a strong promoter of sustainable finance. More on the facility [here](#) and [here](#).