

SECOND PARTY OPINION¹

ON THE SUSTAINABILITY OF CNP ASSURANCES GREEN BOND FRAMEWORK

June 20th, 2019

SCOPE

Vigeo Eiris was commissioned to provide an independent opinion (hereafter the “Second Party Opinion” or the “SPO”) on the sustainability credentials and management of the Green Bond Framework (the “Framework”) and created by CNP Assurances (the “Issuer” or “CNP”) to govern potential bonds to be issued under the Framework (the “Bonds”).

Our opinion is established according to our Environmental, Social and Governance (“ESG”) exclusive assessment methodology, in line with the latest version of the International Capital Market Association’s Green Bond Principles (“GBP”) voluntary guidelines edited in June 2018.

Our opinion is based on the review of the following components:

- 1) Issuer: we have summarized our rating of the Issuer’s ESG performance (evaluated in March 2018), and we assessed the Issuer’s management of potential stakeholders-related ESG controversies and its involvement in controversial activities².
- 2) Framework: we assessed the coherence between the Framework and the Issuer’s environmental commitments, the Bonds’ potential contribution to sustainability and their alignment with the four core components of the GBP 2018.

Our sources of information are multichannel, combining data from (i) public information gathered from public sources, press content providers and stakeholders, (ii) information from Vigeo Eiris exclusive ESG rating database, and (iii) information provided by the Issuer through documents and interviews conducted with Issuer’s managers and stakeholders involved in the preparation of the potential Bonds issuance, held *via* a telecommunication system.

We carried out our due diligence assessment from June 6th to June 19th, 2019. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. We consider that the information made available enables us to establish our opinion with a reasonable level of assurance on its completeness, precision and reliability.

VIGEO EIRIS’ OPINION

Vigeo Eiris is of the opinion that the Green Bond Framework of CNP Assurances is aligned with the four core components of the Green Bond Principles 2018.

We express a reasonable assurance³ (our highest level of assurance) on the Issuer’s commitments and on the contribution of the contemplated Bonds to sustainable development.

In addition, the Eligible Green Assets are likely to contribute to five United Nations’ Sustainable Development Goals, namely: Goal 3. Good Health and Well-being, Goal 7. Affordable and Clean energy, Goal 11. Sustainable Cities and Communities, Goal 13. Climate Action and Goal 15. Life on Land.

1) Issuer (see Part I):

- ▶ As of March 2018, CNP displays an advanced ESG performance overall. The Issuer’s displays an advanced performance on the Environmental and Social pillars and a limited but almost good performance on the Governance pillar.
- ▶ As of today, CNP faces one isolated controversy (related to the Human Resources domain). The severity is considered minor based on the analysis of its impact on both the Company and its stakeholders and CNP is reactive.
- ▶ CNP is not involved in any of the 15 controversial activities screened under Vigeo Eiris methodology.

¹ This opinion is to be considered as the “Second Party Opinion” described in the GBP voluntary guidelines (June 2018 Edition) edited by the International Capital Market Association (www.icmagroup.org).

² The 15 controversial activities analysed by Vigeo Eiris are: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear power, Pornography, Reproductive medicine, and Tobacco.

³ Definition of Vigeo Eiris’ scales of assessment (as detailed in the Methodology section).

2) Framework (see Part II):

The Issuer has described the main characteristics of the Bonds within a formalized Green Bond Framework (last updated version provided on June 19th, 2019) and committed to make this document publicly accessible on CNP's website before the Bonds' issuance date, in line with good market practices.

We are of the opinion that the Framework is coherent with CNP's main sector sustainability issues, with its publicly disclosed strategic sustainable development priorities, and that it contributes to achieve its sustainable development commitments and targets.

Use of Proceeds

- ▶ The net proceeds of the Bonds will exclusively finance or refinance, in full or in part, assets falling under three Eligible Green Assets Categories (the "Eligible Categories"), namely: Green Buildings, Sustainable Forestry and Green Infrastructures. The Eligible Categories are formalized in the Framework and considered clearly defined.

Eligible Green Assets are intended to contribute to three main environmental objectives (Climate Change Mitigation, Biodiversity Protection and Pollution Prevention). These objectives are formalized in the Framework and considered clearly defined and relevant.

Eligible Green Assets are considered to provide clear environmental benefits. The expected environmental benefits are defined, and the Issuer has committed to assess and, as feasible, quantify them. The Issuer has formalised ex-ante quantified environmental targets for two of the three Eligible Categories (Green Buildings and Sustainable Forestry) in internal documentation.

The Issuer has declared that for its first Bond issuance the estimated share of refinancing will not exceed 50% and is committed to be transparent about the share of refinancing of potential future issuances. In case of refinancing, the Issuer has committed to respect a look-back period of maximum 36 months from the Bonds' issuance date, in line with market practices.

Process for Project Evaluation and Selection

- ▶ The governance and the process for the evaluation and selection of the Eligible Green Assets are formalized in the Framework. We consider that the process is reasonably structured, transparent and relevant.

The process relies on explicit and relevant eligibility criteria (selection and exclusion).

The identification and management of the environmental and social risks associated with the Eligible Green Assets are considered to be overall good.

Management of Proceeds

- ▶ The rules for the management of proceeds are clearly defined and will be verified. We consider that they would enable a transparent and documented allocation process.

Reporting

- ▶ The reporting process and commitments appear to be good, covering both the funds allocation and the environmental benefits of the selected Green Assets.

In addition, CNP has committed that its Green Bonds issuances are and will be supported by external reviews:

- A pre-issuance consultant review: the hereby Second Party Opinion delivered by Vigeo Eiris, covering all the features of the Bonds, based on pre-issuance assessment and commitments, to be made publicly available by the Issuer on its website⁴, at the date of issuance.
- An annual verification: an independent third party will verify the funds allocation once a year and until full allocation.

The Second Party Opinion is based on the review of CNP's Framework, according to the GBP voluntary guidelines (June 2018)

Paris, June 20th, 2019

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⁴ <https://www.cnp.fr/le-groupe-cnp-assurances>

DETAILED RESULTS

Part I. ISSUER

CNP Assurances S.A. is a French insurance corporation. The Company's product portfolio includes life insurance, pension, personal risk insurance, health insurance and service offerings.

Level of CNP's ESG performance

As of March 2018, CNP displays an advanced ESG performance overall.

Domain	Comments	Opinion
Environment	<p>CNP's performance in the Environment pillar is advanced.</p> <p>The Company displays an advanced environmental strategy. CNP commits to most of its responsibilities in terms of environmental protection. In addition, the Group has disclosed the following targets:</p> <ul style="list-style-type: none"> - 40% reduction in GHG emissions in 2030 compared with 1990 and 75% reduction in GHG emissions in 2050 compared with 1990. - 20% reduction in the energy consumption of its property portfolio by 2020, compared with 2006. - 20% reduction of the portfolio's carbon footprint of directly held listed equities between 2014 and 2020. - Double green investments to EUR 1.6 billion between 2015 and 2017. - 20% energy consumption reduction of real estate assets between 2006 and 2020. - Prohibit the detention of businesses deriving over 25% of their revenue from thermal coal. 	Advanced
		Good
		Limited
	<p>In 2017, the Company announced EUR 5 billion in new investments in support of the energy and ecological transition by the year 2021, including investments in green infrastructure, green bonds, high energy performance buildings and forests.</p> <p>In terms of results, CNP reports that its SRI strategy is applied to all its assets and those of its French subsidiaries and 81% of CNP financial assets are managed according to ESG criteria (EUR 256 billion). The carbon footprint of its financial portfolio has shown a decreasing trend in the past three years.</p>	Weak
Social	<p>CNP's performance in the Social pillar is advanced.</p> <p>CNP's performance on the Human Resources domain is considered advanced. On the issue of health & safety issues, CNP's KPIs such as the number of workplace accidents has remained stable over the past years; the Absenteeism rate (excluding maternity leave) has remained stable over the past 3 years. The Company has implemented comprehensive measures to modify or eliminate sources of stress inherent to the work environment, including employee assistance programmes, stress management training, measures to improve ergonomics, stress risks assessments, work/life balance measures.</p>	Advanced
	<p>In terms of career management, the Group's employee turnover rate has decreased continuously between 2014 and 2016. Finally, the average number of training hours per employee has increased continuously and by 10% over the past 3 years.</p>	Good
	<p>CNP's performance in the Human Rights domain is advanced. The Company discloses a commitment to the Respect of fundamental human rights and notably preventing complicity in human right violations through its investment activities. The Group's commitment is supported by measures to integrate human rights considerations in the management of proprietary assets. The Company's commitment to prevent discrimination is supported by significant measures to manage this topic, including training, affirmative action programmes, flexitime initiatives and monitoring of salary disparities.</p>	Limited

	<p>Regarding community involvement domain, CNP's performance is also advanced. The Company engages with the sector stakeholders on emerging risks and offers micro-insurance programs to clients. In addition to its commitment to promote access to basic insurance products (health, housing) for low income groups and to develop products with specific additional social benefit, CNP reports on extensive means to prevent and manage any negative societal impacts related to its products and services, including financial education to community at large, incorporation of ESG factors in the development of its products, access to basic insurance policies, etc.</p>	Weak
Governance	<p>CNP's performance in the Governance pillar is limited, although almost good.</p> <p>The Company's performance on the Corporate Governance domain is considered good. Members of the Board of Directors display a moderate level of independence (25%) however the Chairman is considered independent and a 44% of the Company's directors are women. The Board oversees CSR issues including business ethics, climate change, tax policy and the management of proprietary assets.</p>	Advanced
	<p>Furthermore, CSR risks are reported to be covered by the Company's internal control systems (Business ethics, Environmental & climate change risks in underwriting activities and in investments, Social & human right risks in underwriting activities and in investments, Tax). CNP discloses detailed information audit and non-audit fees and in 2016, non-audit fees represented 48.79% of total fees paid to the external auditor.</p>	Good
	<p>On the issue of shareholders' rights, CNP attains an advanced performance. Anti-takeover devices have been identified however there are no major restrictions reported with regards to shareholders' ability to vote and add items to the agenda of the AGM and to convene an EGM. All major items are put to a shareholder vote at the AGM and the Company has presented to shareholders and investors its CSR strategy and this covers all the relevant CSR issues.</p>	
	<p>CNP's performance on executive remuneration is weak, notably due to the lack of disclosure on the links between variable remuneration of executive and the CSR performance of the Company and lack of information on severance pay for senior executives. The ratio of CEO compensation vs. average employee salary has decreased by 5% over the past 3 years, due to an increase in the average employee salary.</p>	Limited
	<p>In terms of business ethics, CNP's performance on Corruption prevention is good, due to extensive measures reported on corruption and fraud prevention as well as money laundering prevention.</p> <p>On the issue of Responsible Lobbying, CNP's performance is weak; however, the Company is not directly involved in lobbying activities, but only through sector associations.</p>	Weak

Management of stakeholder-related ESG controversies

CNP faces one stakeholder-related ESG controversies, in the Human Resources domain, associated to the criteria of "Social Dialogue" and "Career Management".

Frequency: The level of frequency is isolated

Severity: The level of severity of the case is minor based on the analysis of its impacts on the Company and its stakeholders.

Responsiveness: CNP is reactive on the case.

Involvement in controversial activities

CNP is not involved in any of the 15 controversial activities screened under Vigeo Eiris methodology, namely: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels Industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from Vigeo Eiris.

Part II. ISSUANCE

Coherence of the issuance

Context note: As asset owners, companies from the Insurance sector have a great potential to support society's transition to a low carbon and sustainable economy. They can play a significant role in mitigating environmental and climate change related risks, encouraging the companies they invest in to reduce their environmental impacts and support the transition to a low carbon economy.

Moreover, the banking sector can effectively contribute to financial inclusion by providing tailored, accessible, affordable insurance to match particular vulnerabilities.

We are of the opinion that the Framework is coherent with CNP's main sector sustainability issues, with its publicly disclosed strategic sustainable development priorities, and that it contributes to achieve its sustainable development commitments and targets.

CNP appears to acknowledge its role in implementing solutions to support society's transition to a low carbon and sustainable economy.

CNP has an objective to make a positive social contribution to its stakeholders, including employees and the civil society.

The Company's commitment in favour of a sustainable society notably entails:

- Combat inequalities by avoiding financial exclusion and through pooling (range of products and services accessible to all; include social benefit guarantees; select risks in a manner suited to each person's health; focus on health prevention).

The Company's commitment in favour of a sustainable environment notably entails:

- Offering products and investments that contribute to a low-carbon economy (199,000 life insurance policies including an SRI fund in place in 2018).

The Company's commitment in favour of a sustainable economy notably entails:

- Be a responsible investor: At the end of 2018, a total of 81% of CNP's assets were managed in accordance with environmental, social and governance (ESG) criteria in a manner tailored to each asset class. CNP made strong climate commitments in 2015, which were enhanced in 2017 and 2018 as follows:
 - o Reduce the carbon footprint of portfolio of directly held listed equities⁵ by 47% by 2021.
 - o Invest an additional EUR 5 billion for the energy and environmental transition by 2021.
 - o Reduce by 40% of greenhouse gas emissions linked to the energy consumption of directly held property⁶ 2021 (in comparison with 2006).
 - o Exclude from its portfolios companies that are heavily involved in thermal coal (more than 25% of revenue for current investments and more than 10% for new investments).

By creating a Framework to issue Green Bonds to finance or refinance, in full or in part, assets related to Green Buildings (construction of new green buildings and renovation of existing ones), Sustainable Forestry (management of forests and lands), Renewable Energy and Clean Transport, the Issuer coherently aligns with its sustainability strategy and commitments and addresses the main issues of the sector in terms of environmental and social responsibility.

⁵ Changes in the indicator since the issuer's last rating: CNP Assurances has changed its indicator by committing to reduce the carbon footprint of portfolio of directly held listed equities by 47% by 2021. The previous objective taken into account was to reduce by 20% the portfolio's footprint of directly held listed equities between 2014 and 2020.

⁶ Changes in the indicator since the issuer's last rating: CNP Assurances has changed its indicator by committing to reduce its greenhouse gas emissions related to energy consumption by 40% by 2021 of its real estate assets held directly or through wholly-owned subsidiaries. The previous objective taken into account was a 20% reduction of energy consumption reduction of real estate assets between 2006 and 2020.

Use of proceeds

The net proceeds of the Bonds will exclusively finance or refinance, in full or in part, assets falling under three Eligible Green Assets Categories (the “Eligible Categories”), namely: Green Buildings, Sustainable Forestry and Green Infrastructures. The Eligible Categories are formalized in the Framework and considered clearly defined.

Eligible Green Assets are intended to contribute to three main environmental objectives (Climate Change Mitigation, Biodiversity Protection and Pollution Prevention). These objectives are formalized in the Framework and considered clearly defined and relevant.

Eligible Green Assets are considered to provide clear environmental benefits. The expected environmental benefits are defined, and the Issuer has committed to assess and, as feasible, quantify them. The Issuer has formalised ex-ante quantified environmental targets for two of the three Eligible Categories (Green Buildings and Sustainable Forestry) in internal documentation.

The Issuer has declared that for its first Bond issuance the estimated share of refinancing will not exceed 50% and is committed to be transparent about the share of refinancing of potential future issuances. In case of refinancing, the Issuer has committed to respect a look-back period of maximum 36 months from the Bonds’ issuance date, in line with market practices.

CNP Framework					Vigeo Eiris analysis
Eligible Green Asset Categories	Sub- categories	Definition	Eligibility Criteria	Objectives and benefits	
Green Buildings	New Green Buildings Constructions	Investments in new or recently built buildings that have obtained or expected to obtain one or more environmental certification or label.	List of eligible environmental certifications and labels for New Green buildings and Major renovations (both « New-Built » and « In-Use » are considered eligible) <ul style="list-style-type: none"> - HQE: [≥ "Excellent"]; - LEED: [≥ "Gold"]; - BREEAM: [≥ "Very Good"]; - BBC Effinergie+; - BBCA (Bâtiments Bas Carbone); - HPE [RT 2012 -10%]; - THPE [RT 2012 -20%]; - BePOS; - E+/C- ; - NF Habitat HQE 	Climate change mitigation --- <i>Enhance the sustainability performance of a building, including the avoidance of GHG emissions through the financing of Green Buildings.</i>	The definition of this category is overall clear. <ul style="list-style-type: none"> - The eligible Green Buildings rely on locally and internationally recognized certifications and sector standards. The environmental objectives have been formalised in the Framework, and are considered clearly defined and relevant. Eligible Green Assets have the potential to provide clear environmental benefits which will be assessed and, where feasible, quantified by the Issuer on year after the issuance. Additionally, the Issuer has estimated ex ante environmental benefits (quantified targets) in internal documentation.
	Renovation & Restructuring of existing Buildings.	Investment in major renovation of existing buildings in order to: <ul style="list-style-type: none"> - obtain at least one environmental certification or label - and/or upgrade them in to the top 15% of the most energy-efficient buildings in the correspondent local market - and/or demonstrate at least 30% of energy consumption savings 			
	Energy efficiency of existing buildings	Investments in energy efficiency works – in order to obtain at least one environmental certification or label and/or demonstrate at least 20% of energy consumption savings – including: <ul style="list-style-type: none"> - heating systems renovation - geothermal energy systems - insulation retrofitting - solar panels installation - LED lightening 			

CNP Framework					Vigeo Eiris analysis
Eligible Green Asset Categories	Sub- categories	Definition	Eligibility Criteria	Objectives and benefits	
Sustainable Forestry	Sustainable management of forests and lands	<p>Investments to finance acquisition, maintenance and sustainable management of forests and lands, located in France or in Europe, such as:</p> <ul style="list-style-type: none"> - Certified forests (FSC, PEFC or equivalent) - Forest regeneration 		<p>Conservation and sustainable use of terrestrial ecosystems</p> <p>---</p> <p><i>Promote the protection of terrestrial ecosystems and the preservation of biodiversity</i></p>	<p>The definition of this category is clear.</p> <ul style="list-style-type: none"> - The eligible Sustainable Forestry assets rely on locally and internationally recognized certifications. <p>For the first issuance, the assets have not been subject to natural landscape conversion since 2010, in line with best market practices.</p> <p>An area for improvement, for future issuances, consists in systematically ensuring that the assets have not been subject to natural landscape conversion since 2010 which can result in large GHG emissions and biodiversity and ecosystem services losses.</p> <p>The environmental objectives have been formalised in the Framework, and are considered clearly defined and relevant.</p> <p>Eligible Green Assets have the potential to provide clear environmental benefits which will be assessed and, where feasible, quantified by the Issuer on year after the issuance.</p> <p>Additionally, the Issuer has estimated ex ante environmental benefits (quantified targets) in internal documentation.</p>

CNP Framework					Vigeo Eiris analysis
Eligible Green Asset Categories	Sub- categories	Definition	Eligibility Criteria	Objectives and benefits	
Green infrastructures	Renewable Energy	Investments in renewable energy production including equipment, development, manufacturing, construction, operation, distribution and maintenance from sources including: <ul style="list-style-type: none"> - Onshore and offshore wind energy - Solar energy - Geothermal energy with direct emissions $\leq 100\text{g CO}_2\text{e/kWh}$ 		Climate change mitigation --- <i>Avoidance of GHG emissions by promoting the development of renewable energy technologies</i>	<p>The definition of this category is clear.</p> <p>The environmental objectives have been formalised in the Framework, and are considered clearly defined and relevant.</p> <p>Eligible Green Assets have the potential to provide clear environmental benefits which will be assessed and, where feasible, quantified by the Issuer. Area of improvement includes to estimate ex ante environmental benefits (quantified targets) for this category.</p>
	Clean Transportation	Investment in clean vehicles infrastructures and services including: <ul style="list-style-type: none"> - Public mass transportation - Charging infrastructure for electric vehicles - Railway extensions 		Climate change mitigation Air quality improvement --- <i>Reducing GHG emissions through the promotion of public mass transportation and support for sustainable transport infrastructures</i>	<p>The definition of this category is clear.</p> <p>The environmental objectives have been formalised in the Framework, and are considered clearly defined and relevant.</p> <p>Eligible Green Assets have the potential to provide clear environmental benefits which will be assessed and, where feasible, quantified by the Issuer. Area of improvement includes to estimate ex ante environmental benefits (quantified targets) for this category.</p>

In addition, the Eligible Green Assets are likely to contribute to five United Nations' Sustainable Development Goals, namely: Goal 3. Good Health and Well-being, Goal 7. Affordable and Clean energy, Goal 11. Sustainable Cities and Communities, Goal 13. Climate Action and Goal 15. Life on Land.

Eligible Green Assets Categories	UN SDGs identified	UN SDGs targets
Green Buildings	SDG 7. Affordable and Clean Energy	7.3
	SDG 13. Climate Action	NA
Sustainable Forestry	SDG 15. Life on Land	15.1
Green Infrastructures / Renewable Energy	SDG 7. Affordable and Clean Energy	7.2
	SDG 13. Climate Action	NA
Green Infrastructures / Clean Transport	SDG 3. Good Health and Well-being	3.9
	SDG 11. Sustainable Cities and Communities	11.2, 11.6
	SDG 13. Climate Action	NA



UN SDG 3 consists ensuring healthy lives and promote well-being for all at all ages. More precisely, SDG 3 targets by 2030 include:

- 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination



UN SDG 7 consists in ensuring access to affordable, reliable, sustainable and modern energy for all, SDG 7 targets by 2030 include:

- 7.2 Increase substantially the share of renewable energy in the global energy mix
- 7.3 Double the global rate of improvement in energy efficiency



UN SDG 11 consists in making cities inclusive, safe, resilient and sustainable. More precisely, SDG 11 targets by 2030 include:

- 11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
- 11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management



UN SDG 13 consists in taking urgent action to combat climate change and its impacts. States can contribute to this goal by investing in renewable energy, green buildings and reducing greenhouse gas emissions from transport operations through the transition to electric and public transport.



UN SDG 15 consists in sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss. More precisely, SDG 15 targets include:

- 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.

Process for Projects Evaluation and Selection

The governance and the process for the evaluation and selection of the Eligible Green Assets are formalized in the Framework. We consider that the process is reasonably structured, transparent and relevant.

The process for evaluation and selection of Eligible Green Assets is clearly defined.

The evaluation and selection of Eligible Green Assets is based on relevant internal expertise with well-defined roles and responsibilities:

- CNP's standard investment procedure applies first:
 - The Investment Department is responsible for pre-identifying Eligible Assets, collects and reviews all financial and technical information necessary and prepares the financing and legal documents.
 - The Risk Department is responsible for carrying out specific due diligence under the procedures established by CNP and according to the segment to which the assets belongs.
 - The Investment Committee, chaired by the Chief Executive Officer, is responsible for approving the operations to be financed by CNP.
- For the purpose of the Bonds, a Green Bond Committee ("the Committee") was created. The Committee, chaired by the Chief of the Investment Department, member of the Executive Committee, is composed of representatives of the Investment department and the CSR department. The Committee is responsible for:
 - Verifying the compliance with potential Eligible Green Assets with CNP's CSR policy including the ESG criteria.
 - Selecting the pool of Eligible Green Assets (the "Green Portfolio") in line with the eligibility criteria stated in Use of Proceeds section of the Framework.
 - Monitoring the aforementioned Green Portfolio and replacing assets that no longer satisfy the eligibility criteria (i.e. divestment, cancellation, ineligibility) with new Eligible Green Assets, if necessary.
 - Validating the annual reporting publication.
- The verification and traceability are ensured throughout the process:
 - The Committee will meet at least once a year, and more often if necessary.
 - The traceability of the decisions appears to be ensured throughout the process, through meeting minutes that will be redacted for each Committee meeting.
 - An external auditor will verify the compliance of the Green Portfolio with the eligibility criteria and process as defined in the Framework.

The process relies on explicit and relevant eligibility criteria (selection and exclusionary).

- Selection: the eligibility requirements are based on the Eligible Categories definitions in the Use of Proceeds section of the Framework.
- Exclusionary: The Issuer is committed to exclude fossil fuel related assets. In addition, the Issuer has defined Group sectoral and normative exclusion policies (non-cooperative states and territories, high-risk money laundering and terrorist financing jurisdictions, anti-personnel mines and cluster bombs) and a Responsible Investment Policy which prevent direct investment in listed shares and bonds of companies whose thermal coal extraction activity or electricity production from thermal coal exceeds 10% of its turnover.

The identification and management of the environmental and social risks associated with the Eligible Green Assets are considered to be overall good.

The Issuer has formalized a Responsible Investment Policy addressing risks related to violations of fundamental human rights and labour standards, governance risks such as corruption and environmental issues related to climate change adaptation. At operational level, the issuer has implemented dedicated tools and measures specific to the types of assets under consideration.

Green Buildings Assets:

The Eligible Green Assets management is delegated to asset managers in charge of contracting with real estate managers or real estate companies. This delegation is carried out through Framework contracts that define the commitments of asset managers including ESG and ethical criteria and covering the supply chain. The implementation of the contracts is subject to compliance with CNP's CSR approach, as well as with the principles of building and personal safety and quality of services.

Before any acquisition, the Asset manager submits to CNP a presentation document incorporating the technical, environmental and sanitary analysis of the building. This document includes a list of the relevant environmental risks which had been identified, the energy performance (mandatory diagnosis), the GHG emissions of the building and its position with regard to the new environmental regulations (green lease, certification, labels), as well as the sanitary situation with regard to, among others Soil pollution or asbestos. This ESG information can be supplemented if necessary by audits and rely on international standards.

Thereafter, the daily management of assets is governed by the master agreement, which covers in particular the issues related to energy efficiency, biodiversity, water management, pollution, flood and natural disaster risk, transport, user safety, asbestos and lead risk, accessibility for people with reduced mobility, contribution to the circular economy, anti-money laundering and anti-corruption (which refers to the KYC processes and CNP's "five principles of ethical action").

With regard to the Energy Efficiency and Restructuring of existing Buildings assets, ESG risks are operationalized in the mandate in the form of the so-called "Green Works" charter.

CNP regularly audits its asset managers to ensure the proper implementation of the above mentioned ESG requirements.

Sustainable Forestry Assets:

As with green buildings, forests management is delegated, through a framework contract to the Société Forestière. All relevant ESG criteria are covered by the framework. The Société Forestière has adopted a sustainable forest management system certified ISO 9001 and CNP relies on the PEFC certification of 100% of its forest assets to ensure the sustainable management of its forestry patrimony.

As part of the PEFC certification, audits are regularly conducted and the Société Forestière maintains a certification database on behalf of CNP. Additionally, the Société Forestière also performs a biodiversity monitoring throughout all the forestry assets.

Green Infrastructures Assets:

For Green infrastructures assets, there is no such generic instrument that covers the identification and management of main ESG risks. The identification and management of these issues is done on a heterogeneous basis and on a case-by-case ad hoc basis. However, we value the issuer's commitment to include, in all framework contracts regulating these assets, a comprehensive ESG clause covering all relevant ESG issues, where applicable, namely: reduction/mitigation of energy consumption & GHG emissions, biodiversity conservation, reduction of water consumption, wastewater and waste management, Protection of soil, respect of fundamental human and labour rights, improvement of health and safety condition, improvement for user/client safety, business ethics and inclusion of social and environmental factors within the supply chain.

Area for improvement consist – when feasible – in the implementation, at asset level, of dedicated tools such as Environmental and Social Management System and certifications, in order to identify, monitor and control the environmental and social risks associated with this category of eligible assets as well as the introduction of clauses in contracts with contractors and suppliers providing for the implementation of coercive measures and/or sanctions in the event of non-compliance/violation of environmental and social clauses.

Management of proceeds

The rules for the management of proceeds are clearly defined and will be verified. We consider that they would enable a transparent and documented allocation process.

The allocation process is clearly defined:

- An amount equal to the net proceeds of the Bonds will be credited to the Treasury General Account. CNP will earmark the Bonds proceeds and allocate the funds to Eligible Green Assets.
- The Issuer has committed to allocate all proceeds to the Eligible Green Assets within 24 months. Unallocated proceeds will be invested according to CNP's Treasury policy.
- In case of assets postponement, cancelation, divestment or ineligibility, or in case of insufficient pool of Eligible Green Assets, the Issuer has committed to replace the no longer Eligible Green Asset by a new Eligible Green Asset.

Traceability and verification of the proceeds are ensured throughout the process, and appear to be good:

- The Committee is responsible for verifying the allocation of proceeds correspond to the Eligible Green Assets. The Committee will track and verify the matching between the Bonds proceeds and the allocation to assets under the Eligible Green Assets until full allocation of proceeds.
- An independent third party will verify the funds allocation once a year and until full allocation.

Monitoring & Reporting

The reporting process and commitments appear to be good, covering both the funds allocation and the environmental benefits of the selected Green Assets.

The processes for monitoring, data collection, consolidation and reporting are clearly defined in the Framework.

The process is structured and based on relevant internal expertise and involves relevant departments of the Issuer:

- The Green Bond Committee will be responsible for collecting the environmental benefits data associated to the Eligible Green Assets from the relevant asset managers, monitoring the allocation of proceeds and creating the Green Bond reports (the "Reports").

The Issuer has committed to annually report on the Bonds, until their maturity. The Reports will be made publicly accessible on CNP's website.

The Issuer has committed to transparently communicate at Eligible Category level, on:

- The allocation of proceeds: the selected reporting indicators related to the fund's allocation are relevant.

Reporting indicators
- Description of major eligible assets (status, location, technologies, year of construction, etc...)
- The total amount of net proceeds allocated to Eligible Green Assets per category
- The share of financing and refinancing
- The share of CNP in the total asset cost
- The total amount of unallocated proceeds

- Environmental benefits: the selected reporting indicators are relevant.

Eligible Green Asset categories	Sub categories	Output and outcome indicators	Impact Indicators
Green Buildings	New Green Buildings Constructions	<ul style="list-style-type: none"> - Number of dwellings built - Number and/or m2 of buildings, by type of certification 	<ul style="list-style-type: none"> - Avoided CO2 emissions (in t.CO2/year)
	Renovation and energy efficiency of existing buildings	<ul style="list-style-type: none"> - Number of dwellings renovated - Number and/or m2 of newly certified buildings 	<ul style="list-style-type: none"> - Estimated energy savings (in MWh/year)
		<ul style="list-style-type: none"> - Energy efficiency of existing buildings 	
Sustainable Forestry	Sustainable management of forests and lands	<ul style="list-style-type: none"> - Surface of FSC and/or PEFC certified forests (in ha) 	<ul style="list-style-type: none"> - Estimated CO2 sequestrated (in t.CO2/year)
Green Infrastructures	Renewable energy	<ul style="list-style-type: none"> - Capacity installed (GW or MW) - Power Energy production (MWh) 	<ul style="list-style-type: none"> - Avoided CO2 emissions (in t.CO2/year)
	Clean transport	<ul style="list-style-type: none"> - Number of clean transportation systems financed by type - Number of kilometres of rail constructed or maintained 	<ul style="list-style-type: none"> - Avoided CO2 emissions (in t.CO2/year)

An area for improvement consists in reporting on the pollution reduction objective associated to the Clean Transport Eligible Assets, estimating – when feasible – the reduction of air pollutants.

The calculation methodologies and assumptions that will be used to calculate the benefits of Eligible Green Asset will be publicly disclosed by the Issuer in its Reports.

Another area for improvement is reporting on material developments relating to the Bonds, including ESG matters, in order to ensure transparency on this regard at least for the investors, as well as engaging an independent third-party to verify the content of the Reports regarding the environmental benefits metrics (indicators and results).

METHODOLOGY

In Vigeo Eiris' view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organization, activity or transaction. In this sense, Vigeo Eiris writes an opinion on the Issuer's Corporate Social Responsibility as an organization, and on the objectives, management and reporting of the assets to be financed by this transaction.

Vigeo Eiris' methodology for the definition and assessment of the corporate's ESG performance is based on criteria aligned with public international standards, in compliance with the ISO 26000 guidelines, and organized in 6 domains: Environment, Human Resources, Human Rights, Community Involvement, Business Behaviour and Corporate Governance. The evaluation framework has been customized regarding material issues, based on our generic Insurance ESG assessment frameworks and specific issues considering the Issuer's business activity.

Our research and rating procedures are subject to internal quality control at three levels (analysts, heads of cluster sectors, and internal review by the audit department for second party opinions) complemented by a final review and validation by the Direction of Methods. A right of complaint and recourse is guaranteed to all companies under our review, including three levels: first, the team linked to the Company, then the Direction of Methods, and finally Vigeo Eiris' Scientific Council. All collaborators are signatories of Vigeo Eiris' Code of Ethics.

Part I. ISSUER

NB: The Issuer performance, i.e., commitments, processes, results of the Issuer, related to ESG issues have been assessed through a complete process of rating and benchmark developed by Vigeo Eiris Rating.

Level of the Issuer's ESG performance

The Issuer has been evaluated by Vigeo Eiris on its Corporate Social Responsibility (CSR) performance, based on relevant ESG drivers organized in the 6 sustainability domains. CNP's performance has been assessed by Vigeo Eiris on the basis of its:

- Leadership: relevance of the commitments (content, visibility and ownership).
 - Implementation: coherence of the implementation (process, means, control/reporting).
 - Results: indicators, stakeholders' feedbacks and controversies.
- Scale for assessment of ESG performance: Advanced, Good, Limited, Weak.

Management of stakeholder-related ESG controversies

A controversy is an information, a flow of information, or a contradictory opinion that is public, documented and traceable, allegation against an Issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation on unproven facts.

Vigeo Eiris provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- Severity: the more a controversy will relate to stakeholders' fundamental interests, will prove actual corporate responsibility in its occurrence, and will have adverse impacts for stakeholders and the Company, the highest its severity. Severity assigned at corporate level will reflect the highest severity of all cases faced by the Company (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the Company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).
- Frequency: reflects for each ESG challenge the number of controversies faced. At corporate level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).

The impact of a controversy on a Company's reputation reduces with time, depending on the severity of the event and the Company's responsiveness to this event. Conventionally, Vigeo Eiris' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

15 controversial activities have been analysed following 30 parameters to verify if the Company is involved in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The precise nature of the controversial products or services provided by the Company.

Part II. ISSUANCE

The Framework has been evaluated by Vigeo Eiris according to the Green Bond Principles and our methodology based on international standards and sector guidelines applying in terms of ESG management and assessment.

Use of proceeds

The use of proceeds guidelines is defined to ensure that the funds raised are used to finance and/or refinance Eligible Green Assets. The assets endorsed shall comply with the eligibility criteria in order to be considered as Eligible Green Assets. Vigeo Eiris evaluates the relevance, measurability and preciseness of the associated environmental and/or social objectives. The contribution of Eligible Green Assets to sustainable development is evaluated based on the United Nations Sustainable Development Goals.

Process for evaluation and selection

The evaluation and selection process have been assessed by Vigeo Eiris regarding its transparency, governance and efficiency. The explicitness of eligibility criteria and associated supporting elements integrated in the Bond issuance, and the coherence of the process are analysed based on material issues considered in Vigeo Eiris' methodology.

Management of proceeds

The rules for the management of proceeds and the allocation process have been evaluated by Vigeo Eiris regarding their transparency, coherence and efficiency.

Reporting

Reporting indicators, processes and methodologies are defined by the Issuer to enable annual reporting on fund allocation, social benefits (output and impact indicators) and on the responsible management of Eligible Assets financed by the Bond proceeds, collected at asset level and potentially aggregated at Bond and/or asset level. Vigeo Eiris has evaluated the relevance of the reporting framework according to three principles: transparency, exhaustiveness and effectiveness.

VIGEO EIRIS' ASSESSMENT SCALES

Performance evaluation	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the objective of social responsibility. Reasonable level of risk management and using innovative methods to anticipate emerging risks.
Good	Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management.
Limited	Commitment to the objective of social responsibility has been initiated or partially achieved; fragmentary evidence of command over the issues. Limited to weak level of risk management.
Weak	Commitment to social responsibility is non-tangible; no evidence of command over the issues. Level of insurance of risk management is weak to very weak.

Level of assurance	
Reasonable	Able to convincingly conform to the prescribed principles and objectives of the evaluation framework
Moderate	Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework
Weak	Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organizations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organizations.

Vigeo Eiris offers a wide range of services:

- ▶ **For investors:** decision making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more).
- ▶ **For companies & organizations:** supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris is committed to delivering client products and services with high added value: a result of research and analysis that adheres to the strictest quality standards. Our methodology is reviewed by an independent scientific council and all our production processes, from information collection to service delivery, are documented and audited. Vigeo Eiris has chosen to certify all its processes to the latest ISO 9001 standard. Vigeo Eiris is an approved verifier for CBI (Climate Bond Initiative). Vigeo Eiris' research is referenced in several international scientific publications.

With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 5 exclusive research partners, is present in, Brazil, Germany, Israel, Japan and Mexico.

For more information: www.vigeo-eiris.com

Disclaimer

Transparency on the relation between Vigeo Eiris and the Issuer: Vigeo Eiris has not carried out any audit mission or consultancy activity for CNP Assurances. Vigeo Eiris' share capital is divided into 3 board subgroups: investors and financial actors (95%), civil society organisations (2%) and companies (3%). The pluralistic nature of our shareholding structure ensures the independence of the agency. As of the today: CNP Assurances is part of Vigeo Eiris' shareholding group of Asset and Pension Fund Managers (investors and financial actors); Crédit Coopératif (part of BPCE group) is part of Vigeo Eiris' shareholding group of Asset and Pension Fund Managers (investors and financial actors).

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond, based on the information which has been made available to Vigeo Eiris. Vigeo Eiris has neither interviewed stakeholders out of the Issuer's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer. Providing this opinion does not mean that Vigeo Eiris certifies the effectiveness, the excellence or the irreversibility of the assets to be financed by the Bond. The Issuer is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by Vigeo Eiris neither focuses on the financial performance of the Bond, nor on the effective allocation of its proceeds. Vigeo Eiris is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

Restriction on distribution and use of this opinion: the opinion is provided by Vigeo Eiris to the Issuer and can only be used by the Issuer. The distribution and publication are at the discretion of the Issuer, submitted to Vigeo Eiris approval.