



GREEN BOND FRAMEWORK

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1. INTRODUCTION

CNP Assurances is an insurer, co-insurer and reinsurer company delivering protection and savings expertise to its policyholders and partners through a multi-partner and multi-channel business model.

In the context of ever-changing lifestyles and habits including new forms of employment, the housing crisis, longer life expectancy as well as changes in social protection, CNP Assurances' mission is to address everyone's needs during their different life experiences.

Since its inception 160 years ago, CNP Assurances has been proving its services in France and is now active in Europe and Latin America, with protection and savings solutions distributed by a large number of partners, online or via its network of advisors.

With 37 million personal Risk/Protection¹ policyholders² and 14 million Savings/Pensions policyholders worldwide, CNP Assurances is no. 1 provider of life insurance in France³, the no. 4 in Europe for personal insurance (excluding healthcare)⁴ and the no. 4 in Brazil⁵ for insurance.



No.1

IN FRANCE
FOR LIFE
INSURANCE

No.1

IN FRANCE FOR
TERM CREDITOR
INSURANCE

No.4

IN BRAZIL
FOR
INSURANCE

37 million

INSURED UNDER
PERSONAL RISK /
PROTECTION POLICIES

14 million

SAVINGS AND PENSIONS
POLICYHOLDERS
WORLDWIDE

€313 billion

IN AVERAGE TECHNICAL
RESERVES IN 2018

5,243

EMPLOYEES
WORLDWIDE

OPERATIONS IN EUROPE AND LATIN AMERICA, WITH A STRONG PRESENCE IN BRAZIL

A COMPREHENSIVE
RANGE OF SOCIAL
PROTECTION
SOLUTIONS

FOUNDED
OVER

160 YEARS AGO

(1) Personal Risk, Health, Term Creditor and Property & Casualty insurance

(2) Estimates partly based on the number of contracts under management

(3) 2017 data, FFA, June 2018

(4) Argus de l'Assurance "2016 European Top 20 Results", December 2017

(5) Source: SUSEP (Brazil's insurance supervisor), October 2018



2. CNP ASSURANCES CORPORATE SOCIAL RESPONSIBILITY APPROACH



CNP Assurances' Corporate Social Responsibility is built upon three compelling commitments, namely, the promotion of a sustainable society, environment and economy. These commitments, which also lie at the very heart of the company's overall strategy, inspire its product offers, financial practices and stimulate its transformation.

1. Contribute to a sustainable society

The CNP Assurances Group seeks to align its interests with those of society by making a positive social contribution to its stakeholders, particularly its policyholders, employees and civil society.

The commitment in favour of a sustainable society is broken down along the following lines:

- **Combat inequalities by avoiding financial exclusion and through pooling:** CNP Assurances determined to offer a range of products and services that are accessible to all; including social benefit guarantees; selecting risks in a manner suited to each person's health; focusing on health prevention.

- **Better satisfy policyholders:** meeting the needs of policyholders is one of CNP Assurances' strongest commitments for a sustainable society. Satisfaction is the landmark of the customer relationship at all stages. The Group has drawn up policies and procedures to handle complaints and numerous actions are deployed to assess the needs of the policyholders, customer satisfaction as well as follow up policyholders' questions and requests including periodical surveys, the creation of Customer Experience department in 2018.

- **Ensure good business ethics:** the third commitment for a sustainable society is driven by the need to protect the interests of individuals and to respect the general interest. In order to do so, the company implements measures supporting policyholder security, especially as regards their personal data; implements ethics and anti-corruption measures; prevents money laundering and terrorist financing; applies fiscal transparency measures; commits to uphold respect for human rights, compliance with and promotion of the fundamental ILO conventions.

- **Implement a responsible HR policy:** CNP Assurances' HR policy is on the aim of being a responsible and committed employer. This policy is practically applied through talent and skills development; the establishment of a work environment conducive to wellbeing and performance, as well as the professional equality policy; dynamic workforce management; motivating remuneration policy.

- **Develop social initiatives in the field:** this commitment is reflected in actions taken locally by CNP Assurances Group including the pursuance of local development through a responsible policy of corporate philanthropy partnership and outreach partnerships (non-profits, NGOs and local authorities); the Group invests and supports initiative in the area where it operates such as local SMEs and ESS structures. Moreover, the CNP Assurances corporate foundation makes significant commitment in favour of the reduction of social inequalities in healthcare and the installation of defibrillators in public places.

2. Contribute to a sustainable environment

The CNP Assurances Group is committed to supporting the ecological and environmental transition towards an economy that does not deplete natural resources, either in terms of the Company's own management (digitization, operating buildings), more passively (through relationships with policyholders) or through its financial assets.

Its commitment in this area is based on:

- **Monitoring the environmental impact:** CNP Assurances monitors its greenhouse gas emissions and reports them to the Carbon Disclosure Project since 2005. The company also studies the environmental impact of an insurance product. Actions are implemented to reduce environmental impacts on travel, operating buildings, paper consumption.

- **Gearing its customer relationship towards a low-carbon economy through products and investments:** 199,000 life insurance policies including a SRI fund in 2018.

3. Contribute to a sustainable economy

The commitment for a sustainable economy is broken down according to two priorities:

- **Be a responsible investor:** CNP Assurances has committed ten years ago to a responsible investor policy, covering asset classes, from mutual funds, equities and bonds to infrastructure and private equity, property and woodlands. At the end of 2018, a total of 81% of CNP Assurances' assets were managed in accordance with environmental, social and governance (ESG) criteria in a manner tailored to each asset class (see details in Appendix 1).

CNP Assurances made strong climate commitments in 2015, which were enhanced in 2017 and 2018 as follows:

- Reduce the carbon footprint of portfolios of directly held listed equities by 47% by 2021.
- Invest an additional €5 billion for the energy and environmental transition by 2021.
- Reduction of greenhouse gas emissions linked to the energy consumption of directly held property (in $\text{teqCO}_2/\text{sq.m/year}$: -40% between 2006 and 2021)
- 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).

- **Be a responsible purchaser:** CNP Assurances' CSR principles are put into practice by the Purchasing department. To monitor the environmental, social and ethical performance of its suppliers in overall terms, CNP Assurances has formed a partnership with EcoVadis, which performs a CSR assessment of key suppliers.

4. Strong CSR commitments aligned with the United Nations Sustainable Development Goals

By contributing to the transition to a carbon-free and inclusive economy through both its investment policy aiming at fostering sustainable economic growth, particularly through its commitment to France's Energy and Ecological Transition (TEE) Act and the company's combat against financial exclusion, CNP Assurances CSR contributes to the achievement of the Sustainable Development Goals (SDGs) set by the UN for 2015-2030, and more specifically six of them:






3. RATIONALE FOR CNP ASSURANCES TO ISSUE GREEN BONDS

Building up on the Group's increased commitments to fight climate change illustrated by the strong quantified targets for 2021 as well as CNP Assurances' recognition of the urgent need to achieve the UN SDGs, the Group is setting up this Green Bond Framework as a means to take further its actions towards the energy and ecological transition.

Through this Framework, CNP Assurances strives to redirect financial flows towards strategic sectors whose contributions are essential to the transition to a low-carbon economy including real estate, transport and energy infrastructure and sustainable forest, the Group being the largest private owner of woodland in France.



4. OVERVIEW OF CNP ASSURANCES GREEN BOND FRAMEWORK








CNP Assurances Green Bond Framework is aligned with the ICMA's Green Bond Principles as updated in June 2018 and its four components hereunder presented.

1. Use of Proceeds

The net proceeds of any CNP Assurances Green Bond issuance will be used to finance and/or refinance Eligible Green Assets as defined below.

Eligible Green Assets for Green Bond financing are:

- Investments disbursed 2 years maximum prior to the year of issuance of the Green Bond (refinancing)
 - Investments to be disbursed 2 years maximum next to the year of issuance of the Green Bond (new financing)
- Exclusion criteria: fossil fuel related assets are excluded.

ELIGIBLE GREEN ASSET CATEGORIES SUB-CATEGORIES		DEFINITION OF ELIGIBILITY CRITERIA		ENVIRONMENTAL BENEFITS	ALIGNMENT WITH THE UN SDGS
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"> • Reduction of GHG emissions • Increase in energy savings 	  
	Renovation & Restructuring of existing Buildings	Investment in major renovation of existing buildings in order to: 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	<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 		
	Energy efficiency of existing buildings	Investments in energy efficiency works including: heating systems renovation, geothermal energy systems, insulation retrofitting, solar panels installation, LED lightening in order to obtain at least one environmental certification or label and/or demonstrate at least 20% of energy consumption savings.			
SUSTAINABLE FORESTRY	Sustainable management of forests and lands	Investments to finance acquisition, maintenance and sustainable management of forests and lands in France and in Europe such as: Certified forests (FSC, PEFC or equivalent) Forest regeneration		<ul style="list-style-type: none"> • CO2 sequestration • Reduction of air pollution • Biodiversity protection 	
GREEN INFRASTRUCTURE	Renewable energy	Investments in renewable energy production including equipment, development, manufacturing, construction, operation, distribution and maintenance from sources including: Onshore and offshore wind energy Solar energy Geothermal energy with direct emissions ≤ 100g CO2e/ kWh		<ul style="list-style-type: none"> • Reduction of GHG emissions 	 
	Clean transport	Investment in clean vehicles infrastructures and services including: Public mass transportation Charging infrastructure for electric vehicles Railway extensions		<ul style="list-style-type: none"> • Reduction of GHG emissions • Reduction of air pollution 	

2. Process for Project Evaluation and Selection

In order to evaluate and select the Eligible Green Asset which will be financed through the Green Bond issuance, CNP Assurances will establish a Green Bond Committee in charge of:

- verifying the compliance with potential Eligible Green Assets with the internal CSR policy of CNP Assurances including the ESG criteria
- selecting the pool of Eligible Green Assets in line with the eligibility criteria stated in the Use of Proceeds section of the Framework
- monitoring the aforementioned pool by replacing assets that no longer satisfy the eligibility criteria (i.e. divestment, cancellation, ineligibility) with new Eligible Green Assets if need be
- validating the annual reporting publication

The Green Bond Committee will meet at least on an annual basis and is composed of relevant parties including:

- Investment department
- CSR department

The committee will be chaired by the Chief Investment Officer, member of the EXCOM. Each meeting will be documented with a report and record of decision.

3. Management of Proceeds

CNP Assurances intends to manage the proceeds of the Green Bonds issued on nominal correspondence basis. An amount equivalent to the net proceeds of the Green Bonds issued will be earmarked and allocated to Eligible Green Assets.

CNP Assurances will set up an internal tracking system within its treasury management to facilitate the allocation process during the lifetime of the Green Bonds issued.

Pending allocation or in case of insufficient pool of Eligible Green Assets, the funds will be invested according to CNP Assurances' Treasury policy and to the extent possible in SRI funds.

4. Reporting

a / Allocation reporting

CNP Assurances will annually report to investors within approximately one year from the date of the bond issuance, and annually thereafter until maturity.

The allocation report will provide information such as follows:

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

b / Impact reporting

CNP Assurances will also report on the environmental benefits of its Eligible Green Assets funded through the Green Bond issuance. The impact report will rely on both output and impact metrics as illustrated below subject to data availability.

ELIGIBLE GREEN ASSET CATEGORIES	SUB-CATEGORIES	EXAMPLES OF OUTPUT INDICATORS	EXAMPLES OF IMPACT INDICATORS
GREEN BUILDINGS	New Green Buildings Constructions	Number of dwellings Number/m ² of buildings by type of certification	Avoided CO2 emissions (in t.CO2/year)
	Renovation & Restructuring of existing Buildings	Number of dwellings renovated Number/m ² of newly certified buildings	Estimated energy savings ¹ (in MWh/year)
	Energy efficiency of existing buildings		
SUSTAINABLE FORESTRY	Sustainable management of forests and lands	Surface of FSC and/or PEFC certified forests (in ha)	Estimated CO2 sequestered ² (in t.CO2/year)
GREEN INFRASTRUCTURES	Renewable energy	Capacity installed (GW or MW) Power Energy production (MWh)	Avoided CO2 emissions (in t.CO2/year)
	Clean transport	Number of clean transportation systems financed by type Number of kilometres of rail constructed or maintained	

(1) A Due diligence review is performed for each project by a specialized technical expert which estimates energy savings against baselines scenarios following refurbishment works targeted. All savings are tracked and monitored so as to feed in specific data base with a view to compare real consumption with previous estimations.

(2) CO2 sequestration calculation method is based on "Label Bas Carbone" and Intergovernmental Panel on Climate Change indexes. It was considered robust by EcoAct Company and will be formalized and implemented by our Asset Manager.



5. EXTERNAL REVIEW

1. Second-Party Opinion

Vigeo Eiris has been asked by CNP Assurances to provide a Second-Party Opinion on its Green Bond Framework. Vigeo Eiris will ensure the Framework follows the highest standards from the Green Bond Standards principles and Guidelines. CNP Assurances will make the Second-Party Opinion publicly available on its website.

2. External audit

CNP Assurances commits to have the annual allocation report of the funds from the Green Bond externally audited by an independent auditor. The audit report will be published in the reporting.



6. APPENDIX

Financial assets screened on ESG criteria

For many years, CNP Assurances has applied a responsible investor strategy for the majority of its assets and those of its French subsidiaries. However, this approach cannot be applied equally to equities, bonds, property assets, corporate or sovereign securities, direct holdings or units of funds.

The following chart shows the various ways in which the approach is implemented.

	COUNTRY EXCLUSION ¹	SECURITIES EXCLUSION ²	FOOD SPECULATION FUNDS EXCLUSION ³	ESG RATING ANALYSIS ⁴	SYSTEMATIC INTEGRATION OF ESG IN INVESTMENT POLICY ⁵
PROPERTY	✓			✓	✓
WOODLAND	✓			✓	✓
EQUITIES	✓	✓		✓	✓
CORPORATE BONDS	✓	✓		✓	
PRIVATE EQUITY / INFRASTRUCTURE	✓	✓		✓	
GOVERNMENT BONDS	✓	✓			
CNP ASSURANCES DEDICATED FUNDS	✓	✓	✓		
OTHER FUNDS	watchlist	watchlist	✓		

(1) Undemocratic countries deemed at risk, with a low level of freedom or corrupt judges, and tax havens

(2) In accordance with the UN Global Compact : arms manufacturers whose products include anti-personnel mines or cluster munitions and coal mining and coal-bases energy producing companies

(3) Speculation on agricultural commodities

(4) ESG data collection for investment analysis

(5) ESG analysis and/or ratings systematically impact the decision to invest

The quality of the approach has been recognized by socially responsible investment (SRI) rating agencies, including Oekom (Insurance Industry Leaders), MSCI (AAA rating), Sustainalytics (21st place out of 146 global insurers) and Vigeo Eiris (4th place out of 53 European insurers).



7. DISCLAIMER

The information and opinions contained in this Green Bond Framework are provided as at the date of this document and are subject to change without notice. CNP Assurances does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Green Bond Framework does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of CNP Assurances or its subsidiaries (the "CNP Assurances Group"), or the solicitation of an offer to subscribe for or purchase securities of the CNP Assurances Group, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase any securities of the CNP Assurances Group should be made solely on the basis of the information to be contained in the offering memorandum produced in connection with the offering of such securities. Prospective investors are required to make their own independent investigations and appraisals of the business and financial condition of the CNP Assurances Group and the nature of the securities before taking any investment decision with respect to securities of the CNP Assurances Group.

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Some of the statements contained in this Green Bond Framework may be forward-looking statements referring to projections, future events, trends or objectives that, by their very nature, involve inherent risks and uncertainties that may cause actual results to differ materially from those currently anticipated in such statements. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of CNP Assurances to control or estimate precisely, including changes in the regulatory environment, future market developments, fluctuations in the price, impact of climate and other risks mentioned in CNP Assurances's last Document de Référence filed with the Autorité des Marchés Financiers, as amended, supplemented or replaced from time to time. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this document. CNP Assurances does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation. The information contained in this Green Bond Framework does not purport to be comprehensive and has not been independently verified by any independent third party.

