



## **BNP Paribas**

**Report of the independent verifier on BNP Paribas' 2023 Social Bond Reporting on the compliance of the social assets selected for the Social Bond Program with BNP Paribas' Social Bond Framework, on the impact reporting provided to investors and on the management of the net proceeds**

EY & Associés



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To the Chairman and Chief Executive Officer,

In accordance with your request and in our capacity as independent verifier, we hereby present our report on BNP Paribas' 2023 Social Bond Reporting (available on BNP Paribas' website) on (i) the compliance of the social assets selected for the Social Bond Program with BNP Paribas' Social Bond Framework (as of November 2023 and available on BNP Paribas' website), (ii) the impact reporting of the social assets for the year ended September 30, 2023 and (iii) the impact management of the net proceeds (as of September 30, 2023).

#### **1. Reasonable assurance report on the compliance of the social assets with BNP Paribas' Social Bond Framework and on the impact reporting provided to investors**

##### **Understanding how BNP Paribas has prepared the Information**

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw, evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Social Bonds Framework available on the website or on demand.

##### **Inherent Limitations in Preparing the Information**

The Information may be subject to inherent uncertainty to the state of scientific and economic knowledge and the quality of external data used.

Moreover, some information is sensitive to the choice of methodology and assumptions and/or estimates used for the preparation thereof.

##### **Responsibility of BNP Paribas**

It is BNP Paribas' responsibility to prepare the selection and monitoring criteria defined in its Social Bond Framework and to design, implement and maintain internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.



## Independence and quality control

Our independence is defined by the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants. In addition, we have implemented a quality control system, including documented policies and procedures, to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

## Responsibility of the independent verifier

It is our role, based on our work, to express a reasonable assurance conclusion as to whether the assets selected by the Company and impact indicators comply, in all material aspects, with BNP Paribas' Social Bond Framework (as of November 2023).

As we are engaged to form an independent conclusion on the Information as prepared by Management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence. We conducted the work described below in accordance with International Standard ISAE 3000 (Revised) (*Assurance Engagements other than Audits or Reviews of Historical Financial Information*).

## Nature and scope of work

In order to express our conclusion, we performed the following work between November 2023 and January 2024:

- We assessed the suitability of BNP Paribas' Social Bond Framework (as of November 2023) regarding its relevance, completeness, clarity, neutrality and reliability, taking into consideration the "Social Bonds Principles" dated June 2023<sup>1</sup>.
- We verified, based on the available documentary evidence, the eligible social assets compliance with BNP Paribas' Social Bond Framework.
- We verified the impact indicators of the selected social assets for each category:
  - for "Access to employment" assets, we verified the number of employees and number of SMEs financed;
  - for "Impact Entrepreneurs" assets, we verified the number of employees and number of entrepreneurs financed;
  - for "Microfinance" assets, we verified the number of borrowers, the percentage of female borrowers and the percentage of rural borrowers affected;
  - for "Access To Education" assets, we verified the number of students supported;
  - for "Access To Affordable Housing" assets, we verified the total number of beneficiaries;
  - for "Access To Human and Social Care" assets, we verified the number of employees in financed SMEs in the healthcare sector.

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<sup>1</sup> The Social Bonds Principles and Governance Framework are available on the website of the ICMA (International Capital Market Association) at: [www.icmagroup.org](http://www.icmagroup.org)



### Information on BNP Paribas' approach

As mentioned by BNP Paribas in its Social Bond Framework ("Management of proceeds" section) and the use of proceeds available on the BNP Paribas' website:

- BNP Paribas intends to accrue over time a single common pool of diversified Eligible Social Assets from the various Eligible Categories subject to internal selection.
- This single common pool of Eligible Social Assets will represent all Social Bond issues under the Social Bond Framework.
- Eligible Categories refer to the access to: "Employment", "Socioeconomic Advancement And Empowerment (Equal Opportunities)", "Affordable Housing", "Education" and "Human And Social Care".

### Conclusion

In our opinion, the social assets selected for BNP Paribas' Social Bond Program and the related impact indicators reported in BNP Paribas' 2023 Social Bond Reporting, comply, in all material aspects, with BNP Paribas' Social Bond Framework.

### 2. Attestation on the management of the net proceeds

It is also our responsibility to express a conclusion on the consistency of the carrying amount of the selected assets (expressed as the sum of the social assets' drawn amounts as of September 30, 2023) with the net proceeds of the bond.

Our work constitutes neither an audit nor a review. For the purpose of this report, we verified, using sampling techniques or other methods of selection, the consistency of the total drawn amounts of the selected social assets (as per the accounting records as of September 30, 2023) with the total net investment amount of the issued Social Bonds.

On the basis of our work, we have no matters to report on the consistency of the drawn amounts of the selected social assets with the net proceeds of the bonds.

Paris-La Défense, March 4, 2024

The Independent Verifier  
EY & Associés

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