

# **Green Bonds annual allocation & impact report 2022**

**December 2023**



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# Introduction

La Banque Postale is a civic-minded bank. Driven by its 2021-2030 strategic plan and its public service mission on banking accessibility, it aims to make a positive contribution to society.

La Banque Postale reaffirmed its commitment to the just transition, i.e. an environmental transition that is socially acceptable to all, in its corporate purpose, published in June 2021.

In February 2022, La Banque Postale entered a new phase of its transformation by becoming a mission-led company. Its environmental and social objectives are now central to its governance.

Since the publication of its Green, Social and Sustainability Bond Framework in 2019, La Banque Postale's green bonds (35 covered, senior preferred and non-preferred bonds for a total of €2,112.05m issued) have supported 7184 projects. All the proceeds from these green bonds are managed and allocated to projects targeted by the Green, Social and Sustainability Bond Framework.

This report provides details of the green bonds issued by La Banque Postale in 2019, 2021 and 2022, as well as the composition and amount of the underlying loan portfolio. La Banque Postale's Green, Social and Sustainability Bond Framework complies with the Green Bond Principles (GBP), the Social Bond Principles (SBP) and the Sustainability Bond Guidelines (SBG) published by the International Capital Market Association (ICMA) in 2018. Vigeo Eiris, a subsidiary of Moody's ESG Solutions rating agency, provided a second opinion that La Banque Postale's Green, Social and Sustainability Bond Framework is fully aligned with the ICMA recommendations mentioned above. KPMG LLP is the independent third party that certifies this Green Bond Impact Report. KPMG LLP's review report is provided following this document.

## Excerpt from the 2019 Green, Social and Sustainability Bond Framework - Eligible categories for this report



**Renewable energy:** SDG 7 Affordable and Clean Energy, SDG 13 Climate Action



**Green buildings:** SDG 3: SDG 7 Affordable and Clean Energy, SDG 9 Industry Innovation and Infrastructure, SDG 11 Sustainable Cities and Communities, SDG 13 Climate Action



**Clean transport:** Loans to finance access to healthcare: Public hospitals, Elderly care facilities, French comprehensive cancer centres (FCCs)

*Projects refinanced by green bonds fall into one of three eligible categories - renewable energy, green buildings, and clean transport – and contribute to the United Nations Sustainable Development Goals.*

# Key figures of La Banque Postale's Green Bonds' impact



**Number of bonds**  
35



**Total nominal amounts of all the bond issuances**

2 087 848 000€

\*of which 1,09 billion euros were issued in 2022



**Total nominal amounts of all the bond issuances**

2 013 533 000€



**Power capacity installed**

1 927 MW



**Electricity generated**

1 978 026 MWh



**Surfaces refinanced**

305 282m<sup>2</sup>



**Avoided emissions**

493 387tCO<sub>2</sub>eq

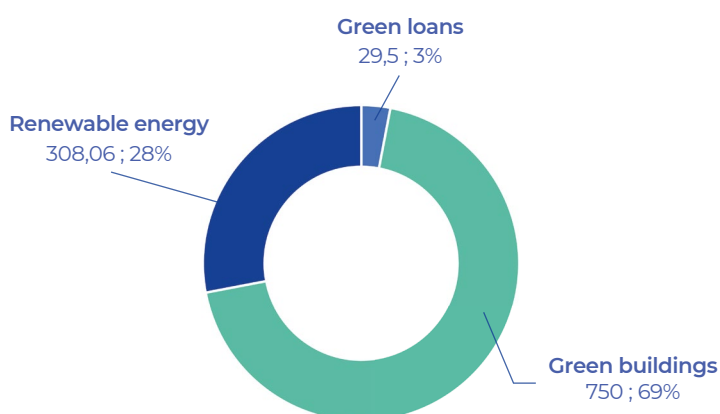
Use of proceeds	<b>Renewable energy</b> Solar / Wind onshore / Wind offshore	<b>Green buildings</b> Apartments / Houses	<b>Clean transports</b> Wagons / Locomotives / Swap-bodies
Number of projects/loans	<b>86</b>	<b>7 094</b>	<b>7</b>

# Green Bonds issued

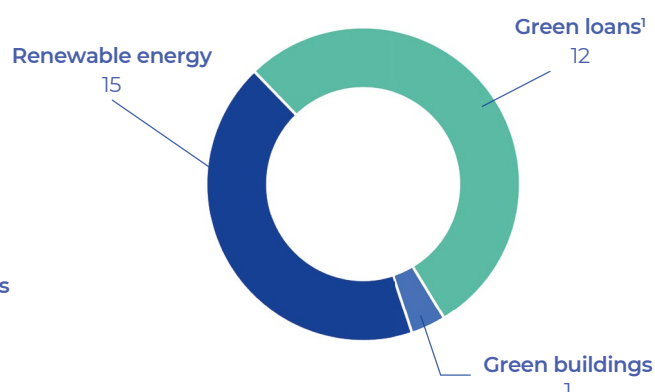
## Green bonds issued in 2022

Instrument type	ISIN	Issue date	Tenor (years)	Use of proceeds	Nominal amount	Residual amount	% allocation
Covered bond	FR001400A9N7	12/05/2022	8	Green buildings	750 000 000	750 000 000	100%
Senior Preferred bond	FR001400BGM9	13/07/2022	5	Renewable energy	2 500 000	2 500 000	100%
Senior Preferred bond	FR001400BQF2	13/07/2022	5	Renewable energy	2 000 000	2 000 000	100%
Senior Preferred bond	FR001400BGH9	12/07/2022	2	Renewable energy	6 000 000	6 000 000	100%
Senior Preferred bond	FR001400BQD7	12/07/2022	2	Renewable energy	1 800 000	1 800 000	100%
Senior Preferred bond	FR001400A2P7	27/06/2022	8	Renewable energy	68 800 000	68 800 000	100%
Senior Preferred bond	FR001400B0L9	27/06/2022	2	Renewable energy	2 000 000	2 000 000	100%
Senior Preferred bond	FR001400AQF4	09/06/2022	3	Renewable energy	5 000 000	5 000 000	100%
Senior Preferred bond	FR001400ALT6	01/06/2022	7	Renewable energy	5 000 000	5 000 000	100%
Senior Preferred bond	FR001400AQ79	01/06/2022	5	Renewable energy	5 000 000	5 000 000	100%
Senior Preferred bond	FR001400AQ95	01/06/2022	3	Renewable energy	5 000 000	5 000 000	100%
Senior Preferred bond	FR00140098L2	09/05/2022	8	Renewable energy	78 500 000	78 500 000	100%
Senior Preferred bond	FR0014009R02	11/04/2022	5	Renewable energy	5 000 000	5 000 000	100%
Senior Preferred bond	FR00140096E1	28/03/2022	8	Renewable energy	4 500 000	4 500 000	100%
Senior Preferred bond	FR00140065D8	17/01/2022	10	Renewable energy	66 394 000	65 706 000	100%
Senior Preferred bond	FR0014006F33	10/01/2022	8	Renewable energy	51 250 000	51 250 000	100%
Senior Preferred bond	FR001400A8H1	31/05/2022	5	Green loans <sup>1</sup>	1 200 000	1 200 000	100%
Senior Preferred bond	FR001400DX93	01/12/2022	2	Green loans <sup>1</sup>	4 700 000	4 700 000	100%
Senior Preferred bond	FR001400DX85	01/12/2022	3	Green loans <sup>1</sup>	2 000 000	2 000 000	100%
Senior Preferred bond	FR001400DC49	31/10/2022	3	Green loans <sup>1</sup>	1 004 000	1 004 000	100%
Senior Preferred bond	FR001400DEZ2	28/10/2022	3	Green loans <sup>1</sup>	2 000 000	2 000 000	100%
Senior Preferred bond	FR001400DG17	07/10/2022	2	Green loans <sup>1</sup>	2 600 000	2 600 000	100%
Senior Preferred bond	FR001400DEP4	27/10/2022	3	Green loans <sup>1</sup>	2 000 000	2 000 000	100%
Senior Non Preferred bond	FR001400CUV3	03/10/2022	5	Green loans <sup>1</sup>	3 000 000	3 000 000	100%
Senior Non Preferred bond	FR001400CO20	22/09/2022	5	Green loans <sup>1</sup>	2 000 000	2 000 000	100%
Senior Non Preferred bond	FR001400AU24	07/06/2022	5	Green loans <sup>1</sup>	1 000 000	1 000 000	100%
Senior Non Preferred bond	FR0014009XB5	22/04/2022	5	Green loans <sup>1</sup>	5 000 000	5 000 000	100%
Senior Non Preferred bond	FR001400E9S2	12/12/2022	5	Green loans <sup>1</sup>	3 000 000	3 000 000	100%
<b>TOTAL</b>					<b>1 088 248 000 €</b>	<b>1 087 560 000 €</b>	

Residual amounts of the 2022 emissions by theme (m€)



Number of emissions by theme

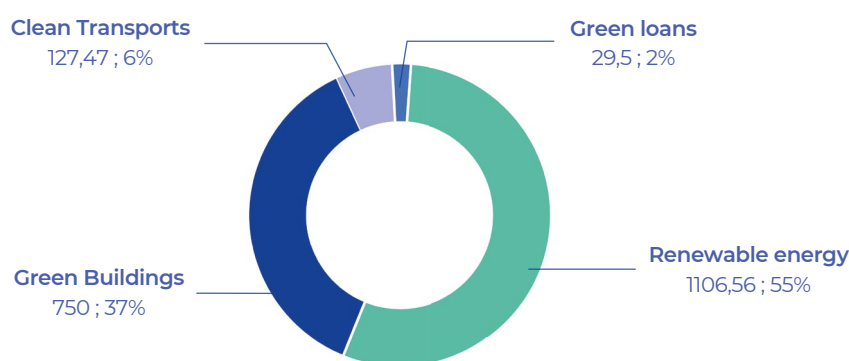


1. Green Loans refer to the Eligible Green Loan categories as defined in La Banque Postale's Green, Social & Sustainability Bond Framework.

## Total green bonds issued

Year	Number of emissions	Nominal amount	Residual amount
	<b>35</b>	<b>2 080 848 000 €</b>	<b>2 013 533 000 €</b>
2022	28	1 088 248 000	1 087 560 000
2021	6	242 600 000	175 973 000
2019	1	750 000 000	750 000 000

Total green bonds issued by theme (m€)



## Allocation report

### Global Underlying Portfolio

Project Category	Number of projects/loans	Amount (m€)
<b>Renewable Energy</b>		
Solar	50	783,02
Wind Onshore	29	551,89
Wind Offshore	7	271,02
<b>Sustainable mobility</b>		
Trains/Locomotives/W	7 <sup>2</sup>	133,48
<b>Green buildings</b>		
Apartments	3 993	500,94
Houses	3 101	425,56
<b>TOTAL</b>		<b>2 665,90</b>

### Underlying Portfolio of the 2022 emissions

Theme of issuance	Nominal amount (m€)	Residual amount (m€)	Project categories	% allocation	Number of projects/loans	Allocated amounts (m€)
<b>Renewable Energy and Green Loans<sup>3</sup></b>	338,25	337,56			86	
			Solar	100%	50	164,59
			Wind Onshore	100%	29	116,01
			Wind Offshore	100%	7	56,97
<b>Green buildings</b>	750	750			7 094	
			Apartements	100%	3 993	405,51
			Houses	100%	3 101	344,49

2. 7 loans corresponding to 4 projects (clean mobility) & 112 loans corresponding to 86 projects (renewable energy)

3. In the underlying portfolio, Green loans are included in Renewable Energy loans.

# Impact report

## Global Underlying Portfolio Impact

Project Category	Number of projects/loans	Allocated amount (m€)	Breakdown of the global underlying portfolio (residual amounts)	Installed capacity (MW)	Induced emissions (tCO <sub>2</sub> eq/y)	Avoided emissions (tCO <sub>2</sub> eq/y)	Breakdown of avoided emissions	Carbon intensity (tCO <sub>2</sub> eq/m€)
<b>Renewable Energy<sup>4</sup></b>								
Solar	50	783,02	29%	1 026	46 830	48 219	10%	61,58
Wind Onshore	29	551,89	21%	766	17 850	58 365	12%	105,76
Wind Offshore	7	271,02	10%	136	4 670	72 309	15%	266,81
<b>Sustainable mobility</b>								
Trains/ Locomotives/ Wagons	7	133,48	5%	NA	184 861	310 191	63%	2323,88
<b>Green buildings</b>								
Apartments	3993	500,94	19%	NA	1 512	2 615	0,53%	5,22
Houses	3101	425,56	16%	NA	1 284	2 221	0,45%	5,22
<b>TOTAL</b>		<b>2 665,90</b>			<b>257 007</b>	<b>493 920</b>		<b>2768,46</b>

4. Renewable Energy Loans have been allocated to Bonds issued under the uses of proceeds "Renewable Energy", "Renewable energy or Sustainable mobility" and "Green Loans

# Focus on Renewable Energy

## I. Background

### Electricity generation : a key pillar in achieving decarbonisation in the energy sector

In France, the **energy mix**<sup>5</sup>, i.e. the breakdown of the different primary energy sources<sup>6</sup> used to produce electricity, heat etc., was made up of 40% nuclear, 28% oil, 16% natural gas, 13% renewable energy and 3% coal in 2020<sup>5</sup>.

- ▶ **55% of the energy consumed in the country is produced domestically.** The remaining 45% is imported (oil, gas, uranium)<sup>6</sup>.
- ▶ The country's electricity production is essentially based on the use of nuclear power, which explains why electricity production accounts for only 12% of France's CO<sub>2</sub> emissions.

In the European Union, 70% of available energy comes from fossil fuels (oil, gas, coal), with renewable energies accounting for 15% of the energy mix and nuclear power for 13%. The remaining 2% corresponds to the production of electricity from non-renewable waste<sup>7</sup>.

- ▶ **42% of this energy is produced in Europe.** This accounts for a third of the European Union's total carbon footprint, which is explained by the high proportion of fossil fuels in its electricity.

### 3 challenges in decarbonising the energy sector

#### • Energy sovereignty

France imports 45% of its energy and the European Union 58%. As imported energy is of fossil origin, **energy independence and its transition are linked.**

France and the European Union already have infrastructures for producing electricity from renewable sources. In fact, 25% and 40% respectively of territorial electricity production came from wind, solar and hydro power in 2020.

#### • Keeping our economies competitive

Achieving decarbonisation of the economy by 2050 is based on **two areas of improvement**<sup>8</sup>: reducing

our energy consumption (sobriety<sup>9</sup> and efficiency<sup>1</sup>) and replacing fossil fuels with low-emission energies. In other words, we might come to question the foundations of our economic system.

#### • Controlling the country's energy bill

**Developing renewable energies** (all the renewable energies used in France are installed on French territory) **means that we can relocate our energy production in France** (note: we are talking here only about energy production, not the manufacture of infrastructure, most of which is produced in Asia<sup>9</sup>), and therefore contribute to reduce our exposure to the volatility of fossil fuel prices<sup>10</sup>.

### Decarbonisation<sup>1</sup> trajectories

In the European Union, the **Renewable Energy Directive**<sup>11</sup> sets binding targets for Member States over specific periods: **42.5% of the European Union's total energy consumption should come from renewable energy sources by 2030**<sup>12</sup>.

France has set out its commitment through its « **Stratégie Nationale Bas Carbone** » (SNBC1), introduced by the Energy Transition Law for Green Growth (LTECV) in 2015<sup>13</sup>.

For the energy sector, the strategy aims to :

- **Reduce CO<sub>2</sub> emissions by 33% by 2030** compared with 2015 levels ;
- **Decarbonise the energy production almost completely by 2050.**
- ▶ This implies an **annual reduction in emissions of 1.3Mt CO<sub>2</sub> eq** over the period.

The ideal energy mix presented includes 55% decarbonised electricity, 37% biomass and other decarbonised fuels, and 8% renewable heat excluding biomass.

5. [Bilan énergétique de la France | Chiffres clés de l'énergie - Édition 2021 \(developpement-durable.gouv.fr\)](#)

6. [Les énergies renouvelables | Ministères Écologie Énergie Territoires \(ecologie.gouv.fr\)](#)

7. [Pétrole, charbon, nucléaire : quel est le mix énergétique des pays de l'UE ? - Toutedurope.eu](#)

8. [Énergies - Agence de la transition écologique \(ademe.fr\)](#)

9. ▶ [Où sont fabriqués les panneaux solaires ? | Solaire France \(solaire-france.com\)](#)

10. [Dépenses en énergie | Chiffres clés de l'énergie - Édition 2022 \(developpement-durable.gouv.fr\)](#)

11. [Énergies renouvelables | Fiches thématiques sur l'Union européenne | Parlement européen \(europa.eu\)](#)

12. [Le Conseil et le Parlement parviennent à un accord provisoire sur la directive relative aux énergies renouvelables - Consilium \(europa.eu\)](#)

13. [Stratégie Nationale Bas-Carbone \(SNBC\) | Ministères Écologie Énergie Territoires \(ecologie.gouv.fr\)](#)



The LTECVI therefore sets the following targets for 2030<sup>14</sup>.

- 32% renewable energy in gross final energy consumption
- 40% of electricity production from renewable sources
- 38% of final heat consumption from renewable sources
- 15% of final fuel consumption from renewable sources

In France, in 2021 the government set out three priorities for the development of renewable energy, including the deployment of **1000 new locally governed renewable energy projects involving local authorities and citizens by 2028**<sup>15</sup> (unlike a conventional renewable energy project, a locally governed renewable energy project implies that the citizens and local authorities have effective control, and their investment is paid back by dividends from the sale of the energy produced)<sup>16</sup>.

**Focus solutions** : the development of renewable energies.

In 2022 in France, **out of 475 TWh of total electricity production, hydro, wind, and solar energy accounted for 111 TWh**<sup>17</sup>.

France has the 2<sup>nd</sup> largest onshore and 2<sup>nd</sup> largest offshore wind energy resources in Europe, behind Great Britain. In 2020, **wind-generated electricity** amounted to 37.9 TWh, or **8.3% of French electricity consumption**, making it the 3<sup>rd</sup> largest source of electricity in France behind nuclear and hydro.<sup>15 16 17 18</sup>

Electricity production from the photovoltaic sector amounted to 13.6 TWh in 2020.

The “gCO<sub>2</sub>eq/kWh” emission factor<sup>1</sup> corresponds to the quantity of CO<sub>2</sub> emitted per kWh of electricity

generated. The result is expressed in CO<sub>2</sub>eq (CO<sub>2</sub> equivalent), as this makes it possible to compare the performance of each type of energy. For example, during the production of electricity, we can see that<sup>22</sup> :

- Nuclear power plants emit 6gCO<sub>2</sub>eq/kWh ;
- Wind turbines emit 13gCO<sub>2</sub>eq/kWh ;
- Solar panels emit 56gCO<sub>2</sub>eq/kWh ;
- Gas power plants emit 406gCO<sub>2</sub>eq/kWh ;
- Coal-fired power stations emit 1038gCO<sub>2</sub>eq/kWh.

Making the transition from fossil fuels to a greener electricity mix will significantly reduce our economy's carbon footprint. As a result, the development of renewable energies and their use in the growing electrification of transport and the reindustrialisation of the country must be accelerated. In fact, five of the ten objectives of the government's France 2030 Plan<sup>1</sup> relate to these two sectors<sup>23</sup>.

## La Banque Postale's actions to promote renewable energies

After committing in 2013 to reduce its operational CO<sub>2</sub> emissions by 20% over the 2015-2020 period, La Banque Postale wanted to go further and ensure that it had CO<sub>2</sub> emission reduction trajectories that were fully aligned with the objectives of the Paris Agreement. The bank therefore made a commitment in 2017 to the Science Based Targets initiative (SBTi). More specifically, La Banque Postale has committed, through this validation of trajectories, to reducing its Scope 1 and 2 GHG emissions by 46% over the period 2019 to 2030. This includes the ambition to only finance energy projects based on renewable energies, which is part of the mission led company goals of La Banque Postale. As a matter of fact, in 2019 La Banque Postale committed to reach €3 billion for the financing of renewable energies by the end of 2023. By the 4<sup>th</sup> quarter of 2022, cumulative financing stood at €3,8 billion. The main instrument used are Green Loans accessible to local authorities as well as SMEs and VSEs, to allow them to finance projects linked to the ecological transition such as renewable energies. In addition, 100% of the Group's energy consumption

14. Dispositifs de soutien aux énergies renouvelables | Ministères Écologie Énergie Territoires (ecologie.gouv.fr)

15. 10 mesures pour le développement des énergies renouvelables citoyennes | Ministères Écologie Énergie Territoires (ecologie.gouv.fr)

16. Le développement des projets d'énergie renouvelables à gouvernance locale – Ademe

17. Production brute et consommation d'électricité | Insee

18. Éolien terrestre | Ministères Écologie Énergie Territoires (ecologie.gouv.fr)

19. Éolien en mer | Ministères Écologie Énergie Territoires (ecologie.gouv.fr)

20. Tableau de bord : éolien - Quatrième trimestre 2022 | Données et études statistiques (developpement-durable.gouv.fr)

21. Solaire photovoltaïque | Chiffres clés des énergies renouvelables (developpement-durable.gouv.fr)

22. dmo-fiche-14-quel-est-le-bilan-carbone-d-un-parc-eolien-en-mer.pdf (debatpublic.fr)

23. France 2030 | Ministères Écologie Énergie Territoires (ecologie.gouv.fr)

is solely based on renewable energies and in 2017, the Group acquired Lendopolis in 2017, a participative investment platform specialising in renewable energy and buildings.

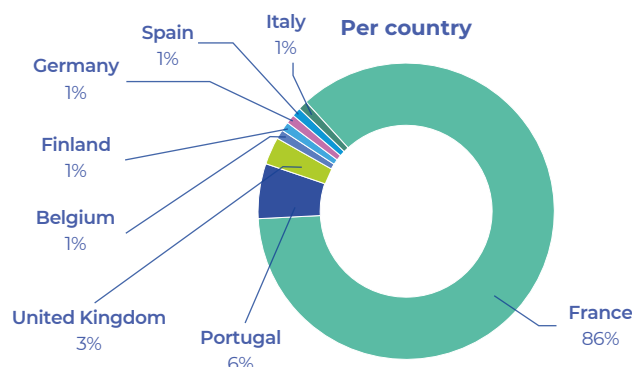
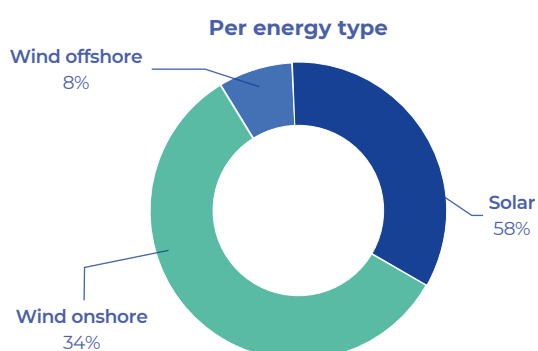
Lastly, in order to monitor ESG risks over different time horizons, a policy has been defined by La Banque Postale's Group risk management teams. The objective is twofold: to control the impact of

climate change on La Banque Postale's activities, and the impact of the Bank's activities on the environment, in accordance with the principle of double materiality. Remedial plans are then defined to control the potential impacts identified, for example in the form of sectoral policies. In this respect, La Banque Postale has defined in 2021 its policies for a complete withdrawal from coal, oil, and gas by 2030<sup>24</sup>.

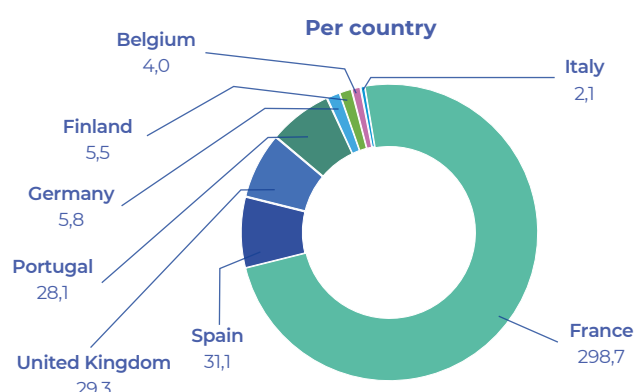
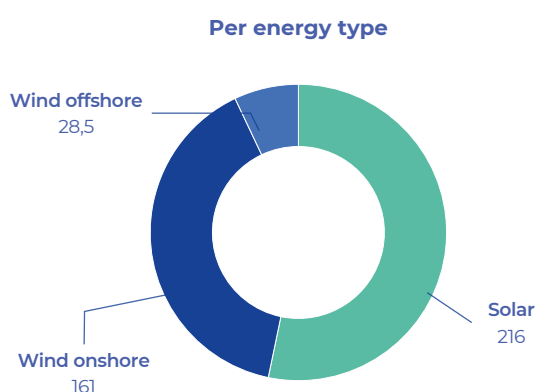
## II. Impact of la Banque Postale's renewable energy portfolio allocated on the bonds issued in 2022

Project Category	Allocated amount (m€)	Installed capacity (MW)	Electricity generated (MWh)	Induced emissions (tCO <sub>2</sub> eq/y)	Avoided emissions (tCO <sub>2</sub> eq/y)
<b>Renewable Energy (86 projects)</b>					
Solar	164,59	216	126 831	9 844	10 136
Wind Onshore	116,01	161	251 230	3 742	12 268
Wind Offshore	56,97	28,6	37 714	982	15 199
<b>TOTAL</b>	<b>337,56</b>	<b>405,26</b>	<b>415 776</b>	<b>14 577</b>	<b>37 603</b>

*Breakdown of the number of projects:*

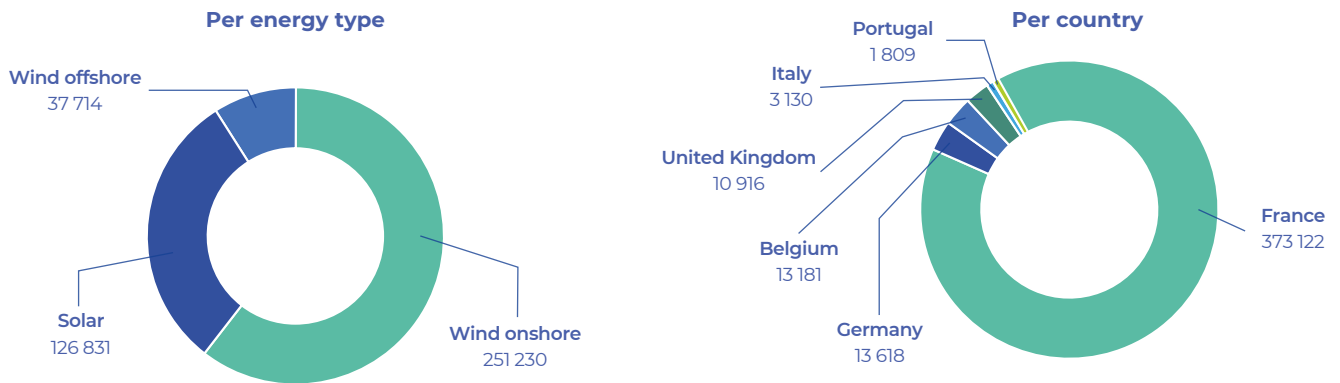


*Power capacity installed (MW):*



24. <https://www.labanquepostale.com/content/dam/lbp/documents/institutionnel/rse/politique-charbon-lbp-2021.pdf>  
<https://www.labanquepostale.com/content/dam/lbp/documents/institutionnel/rse/politique-petrole-gaz-lbp-2021.pdf>

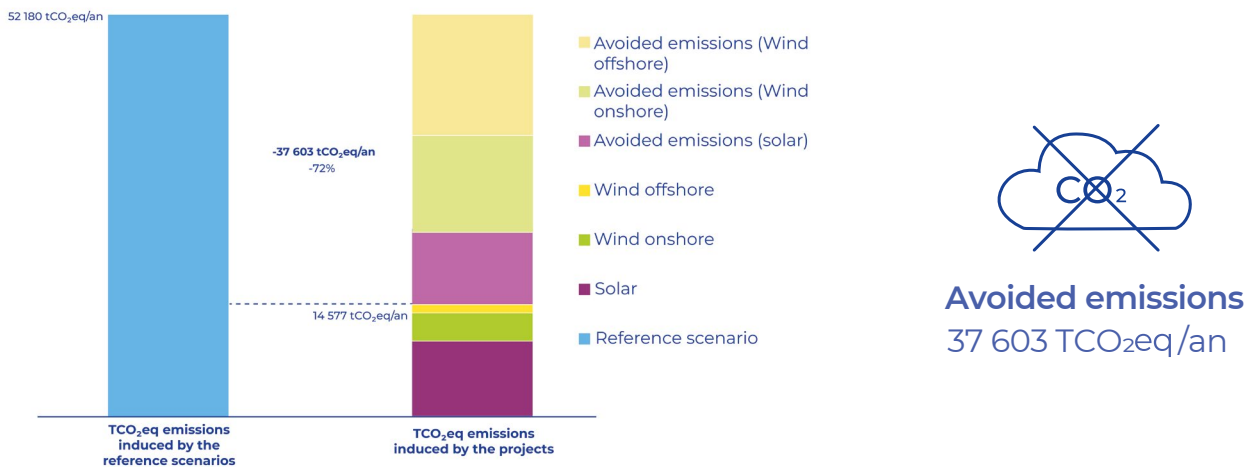
### Electricity production (MWh):



The electricity was for the most part generated in 2022, otherwise in 2021.

### Comparison between the TCO<sub>2</sub>eq induced by the reference scenario and the projects financed by La Banque Postale\*:

*\*More information on the methodology used in the appendices*



To be noted : as 86% of the projects are located in France, the quantity of avoided emissions thanks to renewable energies is rather low, given that the energy mix of France is mostly based on nuclear

energy. Even so, developing renewable energies in France is essential as it also participates in enhancing the country's energetic production sovereignty.

# Focus on Green Buildings

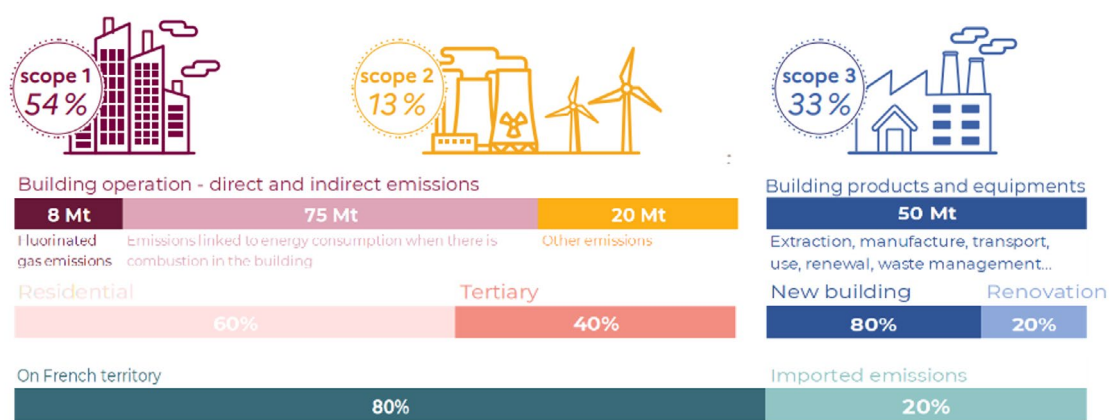
## I. Background

### Green Buildings: a necessary step in achieving greater energy sobriety and efficiency in buildings.

On January 1st 2022, France had 37.2 million homes. Every year, this number increases by 1.1%. Most of the housing stock that will exist in 2050 has already been built.

In 2022, the **use of the buildings** was responsible for **23% of France's greenhouse gas emissions** and accounted for **47% of the total energy consumed in the country.**

### Breakdown of carbon emissions from the building value chain (base year: 2019)



Source : Ministry for Ecological Transition, 2023<sup>25</sup>

## 2 challenges in decarbonising the housing sector.

### • Fuel poverty

A household is in a situation of fuel poverty<sup>1</sup> when it has difficulty getting the energy it needs to meet its basic requirements, either because of a lack of financial resources or because of the condition of its housing<sup>26</sup>.

- ▶ **A quarter of French households have had difficulty paying their energy bills and 20% have reported suffering from the cold (2021).**
- ▶ 5.2 million energy inefficient homes (Energy Performance Certificate, i.e. EPC, equivalent to F or G)<sup>1</sup>, which represents 17% of the housing stock (2022).

Like transport, the majority of buildings are still powered by fossil fuels<sup>27</sup>. As mentioned earlier, the price of fossil fuels is more volatile, making households' energy bills unstable.

### • Energy independence

As mentioned earlier, the building sector is the largest consumer of energy in both France and the EU. Given that heating accounts for 60% of Scope 1 and 2 emissions<sup>28</sup>, and that buildings still rely mainly on fossil fuels, speeding up renovations to improve the energy efficiency of buildings and make them more energy-efficient is in line with the need to decarbonise their energy mix. Hence, it resonates with the ambition for France's energy mix to be produced in the country.

### Decarbonisation trajectories

The French government has made energy renovation a national priority. In particular, it aims to **limit GHG emissions from the sector to 30MtCO<sub>2</sub> /year by 2030** (75MtCO<sub>2</sub> in 2021)<sup>29</sup>.

- ▶ The French Low Carbon Strategy (Stratégie Nationale Bas Carbone, SNBC) plans to **reduce the sector's emissions by 49% by 2030** and to

26. La précarité énergétique suivie par l'ONPE au sein de l'ADEME – Ademe

27. Rénovation et décarbonation des bâtiments (europa.eu)

28. Le bâtiment, un secteur en première ligne des objectifs de neutralité carbone de la France en 2050 (carbhone4.com)

29. 23064\_decabonation-batiment.pdf (ecologie.gouv.fr)

**decarbonise the buildings sector by 2050**, and it sets out four major guidelines to achieve it<sup>30</sup>:

- Shift the energy mix in the use of new and existing buildings towards a carbon-free energy consumption ;
- Renovate all existing residential and tertiary buildings to achieve an equivalent of “*Bâtiment Basse Consommation*” (BBC) level.
- Increase the energy performance levels of the new buildings in future environmental regulations ;
- Aim for greater energy efficiency in equipment and more economical use of energy.

**Focus solution** : the development of green buildings.

Green buildings bring together a range of techniques, materials and technologies that contribute to enhancing the environmental performance of a building.

In France, the “**Haute Qualité Environnementale**” (HQE) **label**<sup>1</sup> certifies that a building uses resources efficiently throughout its life cycle, from design to renovation.

Green buildings refer to the construction of new, high-performance buildings, but also to the large-scale deployment of energy renovation.

In France, the government has announced the allocation of almost €1 billion to support sustainable construction projects, including **€675 million falling under the Sustainable City and Innovative Buildings Strategy**<sup>1 31</sup>.

Launched in 2021, the “**France Relance**” **Plan**<sup>1</sup> allocates **€6.7 billion** for the renovation of private housing, public buildings, and social housing, as well as the energy efficiency of the commercial buildings of SMEs and VSEs<sup>32</sup>. The aim of the plan is to **eradicate energy inefficient buildings** by relying on public aid (e.g. Ma Prime Rénov’).

Certain procedures have already been put in place:

- Gradual ban on renting out homes classified as energy inefficient buildings ;
  - 2025: EPC G, 2028: EPC F, 2034: EPC E
- Rent freeze for homes classified as F or G from 2023 onwards ;
- Obligation to conduct an energy audit when selling a property classified as F or G

## **La Banque Postale’s Actions to promote green buildings**

As mentioned previously, La Banque Postale was one of the first three banks in the world to have decarbonation trajectories validated by the SBTi. This ambition includes the La Poste Group’s buildings, which are included in the trajectory validated by La Poste’s SBTi (a target of reduction of 51% in GHG emissions over the period 2013-2025). This trajectory, aligned with a +1.5°C scenario, has been constructed based on the Absolute Contraction Approach (ACA) methodology. The alignment scenarios used are those developed in the report «IPCC Special Report on Global Warming of 1.5 °C (SR15)» of the Intergovernmental Panel on Climate Change (IPCC).

Moreover, La Banque Postale has launched in July 2023 its “*Crédit Immobilier à Impact*” (i.e. impact mortgage), which is supported by the Impact Weighting Factor, an internal tool created by the Bank. This new mortgage offer encourages the Bank’s client to engage in the energetic transition, as the Impact Weighting Factor allows the contractors to benefit from a subsidised rate when they acquire an energy-performant property or when they plan to carry out energy renovation work.

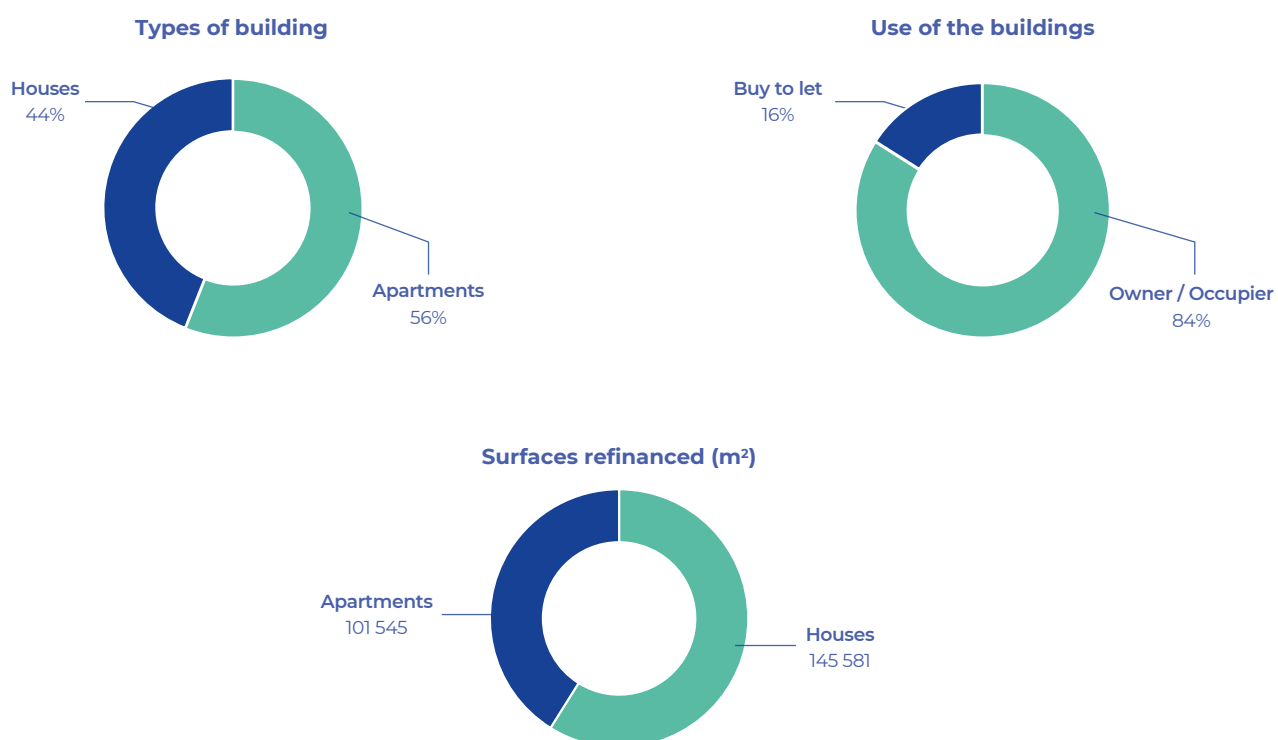
30. Stratégie Nationale Bas-Carbone (SNBC) | Ministères Écologie Énergie Territoires ([ecologie.gouv.fr](https://ecologie.gouv.fr))

31. stratégie Ville durable et bâtiments | Ministères Écologie Énergie Territoires ([ecologie.gouv.fr](https://ecologie.gouv.fr))

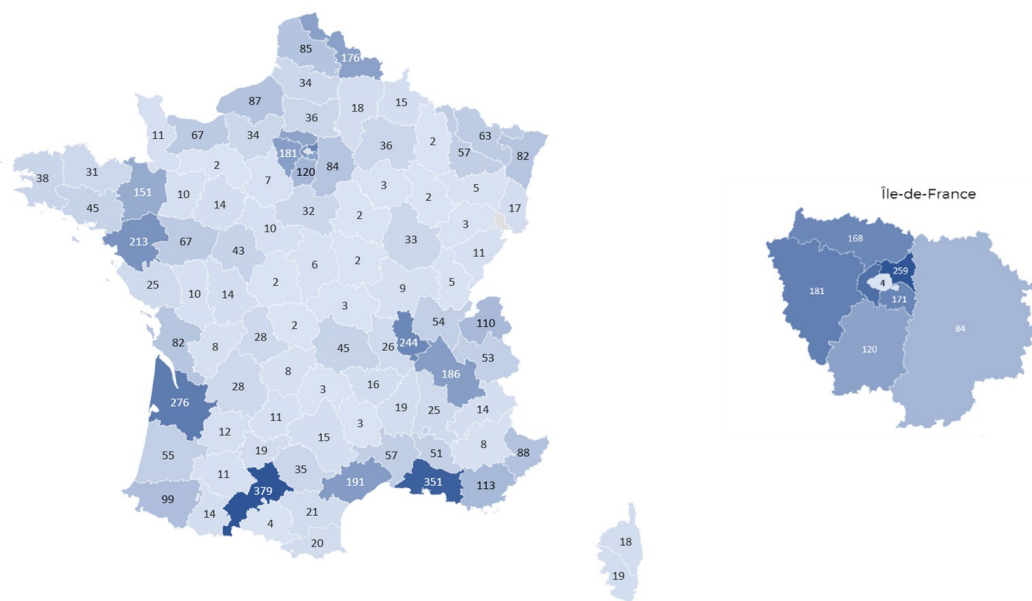
32. France Relance : transition écologique | Ministères Écologie Énergie Territoires ([ecologie.gouv.fr](https://ecologie.gouv.fr))

## II. Impact of La Banque Postale's green buildings portfolio allocated on the bonds issued in 2022

Project Category	Allocated amount (m€)	Induced emissions (tCO <sub>2</sub> eq/y)	Avoided emissions (tCO <sub>2</sub> eq/y)
<b>Green buildings (7 094 loans)</b>			
Apartments	405,51	1 224	2 117
Houses	344,49	1 040	1 798
<b>TOTAL</b>	<b>750,00</b>	<b>2 263</b>	<b>3 915</b>



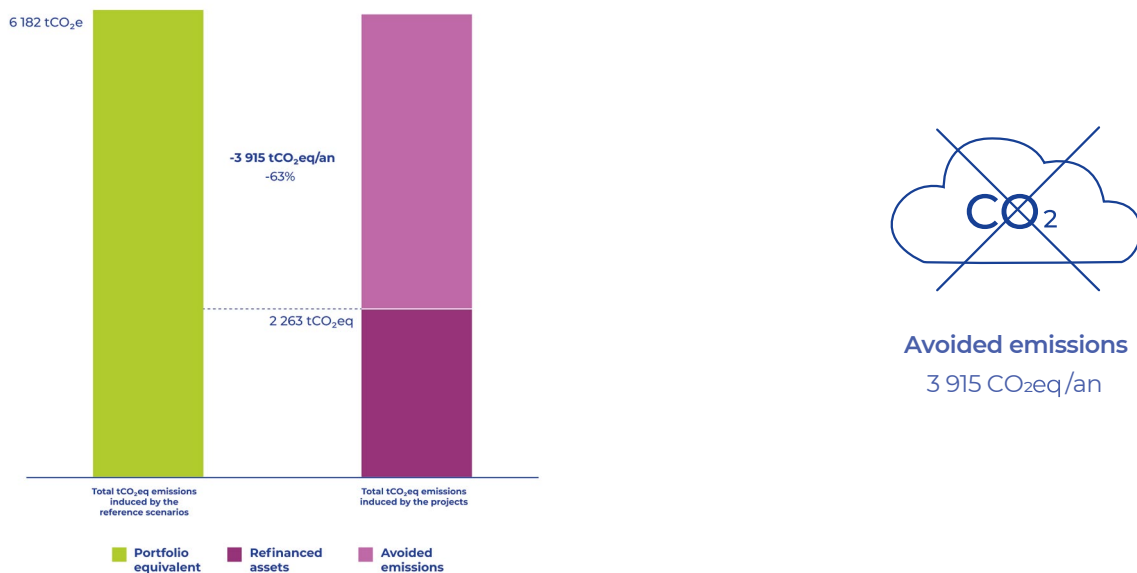
## Number of buildings refinanced per department:



The bond is also refinancing 15 buildings in Guadeloupe, 16 in Martinique, 17 in Guyane and 61 in La Réunion.

## Comparison between the TCO<sub>2</sub>eq induced by the reference scenario and the projects financed by La Banque Postale\*:

*\*More information on the methodology used in the appendices*



It is to be noted that the calculation of avoided emissions is only based on the use of the buildings. It does not account for the construction of the buildings.

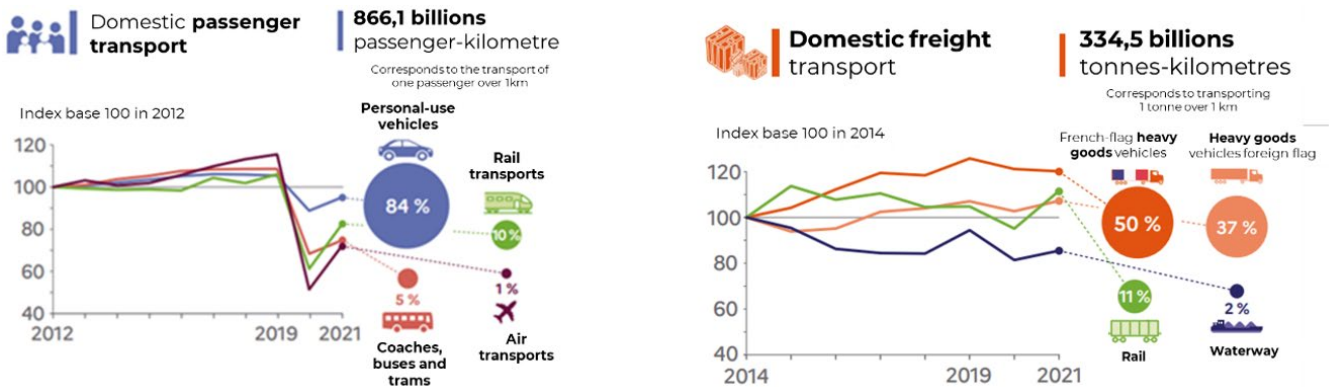
# Focus on Clean Transports

## I. Background

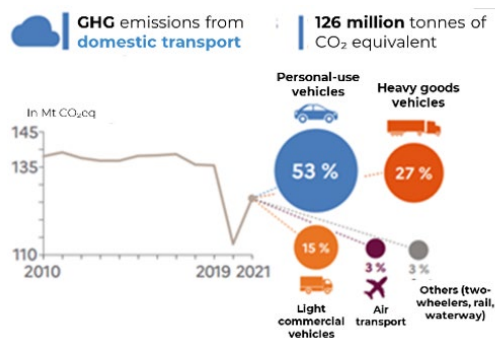
### The rail sector: a priority for achieving carbon neutrality!

The transport sector is the largest emitter in the European Union, on a par with the energy sector (**31% of the total carbon footprint**). Transport is also the only sector where greenhouse gas emissions have increased over the last three decades (+33.5% between 1990 and 2019)<sup>33</sup>.

► Breakdown of the transport sector by type of transports and by use in France in 2023 :



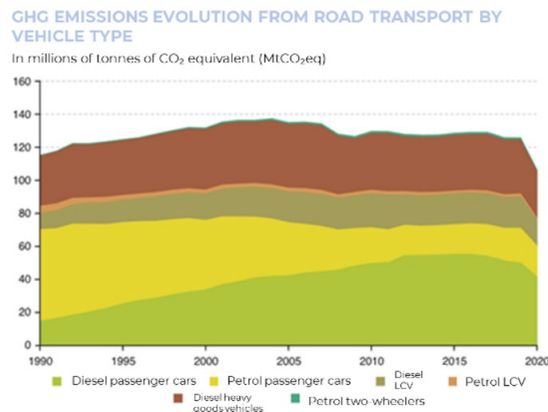
► Breakdown of the carbon footprint<sup>1</sup> of the transport sector in France in 2023 :



Source : Ministry of Ecological Transition, 2023<sup>30</sup>

More specifically, **95% of the sector's emissions are caused by road transport** in France (which represents the majority of means of transport used) and **they consist of 97% of CO<sub>2</sub>**<sup>35</sup>.

At the European level, freight transport is responsible for more than 30% of the CO<sub>2</sub> emissions generated by transport<sup>36</sup>.



Source : Ministry of Ecological Transition, 2021<sup>37</sup>

33. Émissions de CO<sub>2</sub> des voitures : faits et chiffres (infographie) | Actualité | Parlement européen (europa.eu)

34. chiffres-cles-des-transports-edition-2023.pdf (developpement-durable.gouv.fr)

35. Émissions de CO<sub>2</sub> du transport routier | Chiffres clés transport 2021 (developpement-durable.gouv.fr)

36. Écologisation du transport de marchandises pour un gain économique supplémentaire (europa.eu)

37. Émissions de gaz à effet de serre du transport | Chiffres clés transports 2022 (developpement-durable.gouv.fr)



**Another challenge** of decarbonising the transport sector is **health**.

The atmospheric pollutants<sup>38</sup> of greatest concern for public health are suspended particulates, carbon monoxide, ozone, nitrogen dioxide and sulphur dioxide, which are **gases emitted by the combustion of fossil fuels in internal combustion engines**<sup>39</sup>.

Air pollution is responsible for the deaths of 7 million people around the world every year<sup>40</sup>.

## European decarbonisation trajectory

The European Commission's ultimate objective is to **reduce greenhouse gas emissions from the transport sector by 90% by 2050**<sup>41</sup>.

The Sustainable and Smart Mobility Strategy<sup>1</sup> (SSMS) groups together three key decisions<sup>42</sup>:

- Horizon 2030:
  - 30 million zero-emission vehicles on European roads ;
  - Twice as much of high-speed rail traffic ;
  - Scheduled carbon-neutral collective journeys of less than 500km.
- Horizon 2035:
  - Ban on the sale of new vehicles with internal combustion engines<sup>43</sup>
- Horizon 2050:
  - All new cars, vans, buses and heavy goods vehicles will be zero-emissions ;
  - Twice as much of rail freight ;
  - Three-times as much of high-speed rail traffic ;
  - Operational trans-European multimodal transport network for the global network.

The greening of freight is the initiative no. 4 of the SSMS. **The Connecting Europe Facility (CEF)<sup>1</sup> provides for a budget of €25.8 billion for the period 2021-2027 to decarbonise the transport sector**<sup>44</sup>.

**Focus solution:** the development of the rail network.

One of the prioritised solutions for achieving carbon neutrality by 2050 is the development of rail transport for both passengers and freight. In fact, the **carbon**

**footprint of a train is 14gCO<sub>2</sub>e/km passenger** (car: 131gCO<sub>2</sub>e, plane: 285gCO<sub>2</sub>e)<sup>45</sup>.

- Freight: 14x less CO<sub>2</sub>/km than an HGV for the same cargo
- Passengers: 50x less CO<sub>2</sub>/km than a medium-haul flight, 70x less CO<sub>2</sub>/km than a long-haul car<sup>42 43</sup>

In France, the Government committed in 2021 to providing **€170 million a year until 2024** to support the operation of rail freight services<sup>48</sup>. The aim is to **double the modal share of rail freight by 2030**. In addition, €4.7 billion will be mobilised to increase the number of trains available for different uses (e.g. night trains).

For its part, the European Union is aiming to **establish a single European railway area** that will enable the rail sector to expand through competition, technical harmonisation, and the joint development of cross-border connections<sup>49</sup>.

## La Banque Postale's actions to promote clean transport

As mentioned previously, La Banque Postale was one of the first three banks in the world to have decarbonation trajectories validated by the SBTi. Transports are also included in this ambition, as La Banque Postale's travel policy provides a framework for employees' choice of mode of transport depending on their destination. For example, when travelling within mainland France, train travel should be favoured. In addition, in order to meet the needs expressed during the employee consultation in May 2021, La Banque Postale launched the soft mobility pass in the first quarter of 2022, a scheme designed to encourage low-polluting modes of transport. Finally, in 2023, a new fleet policy was introduced, encouraging employees to choose electric and hybrid vehicles. The fleet of company cars will be made up exclusively of electric or hybrid vehicles within 3 years, i.e. 2026 (the time required to renew the entire fleet).

38. Pollution atmosphérique (who.int)

39. Voiture électrique, particules fines et pollution de l'air : quel bilan ? (youmatter.world)

40. L'effet dévastateur de la pollution de l'air sur la santé (who.int)

41. Écologisation du transport de marchandises pour un gain économique supplémentaire (europa.eu)

42. Mobility Strategy (europa.eu)

43. Les eurodéputés votent l'interdiction des moteurs thermiques en 2035 | vie-publique.fr

44. Le Mécanisme pour l'interconnexion en Europe | entreprises.gouv.fr

45. Quelle est l'empreinte carbone d'un vol en avion ? - Carbo (hellocarbo.com)

46. Une mobilité propre et durable pour une UE neutre pour le climat - Consilium (europa.eu)

47. FR DD-FICHE\_REFLEXE\_LES\_ATOUTS\_FERROVIAIRE\_A5\_PAGE\_PAGE\_0.pdf (snf-reseau.com)

48. Fret ferroviaire : une aide de 170 M€ par an jusqu'en 2024 | Gouvernement.fr

49. Vers l'espace ferroviaire unique européen - Consilium (europa.eu)

The Bank also relies on a team of employees dedicated to financing mobility-related projects, the majority of which are sustainable transport projects.

Lastly, the Bank published 1.5°C alignment trajectories defined for five carbo-intensive sectors, which include the automotive and aviation sectors. Hence, the objective for the automotive sector is to decrease

the gCO<sub>2</sub>e/v.km emitted from 111 in 2020 to 103 in 2030. For the aviation sector, the target is 63gCO<sub>2</sub>e/v.km in 2030 instead of 143 in 2020. In 2022, La Banque Postale also published intervention principles for the aeronautics sector, including requirements for airlines and aircraft financing.

## II. Impact of La Banque Postale’s portfolio allocated on the bonds issued in 2021\*

### Green bonds on clean mobility issued in 2021

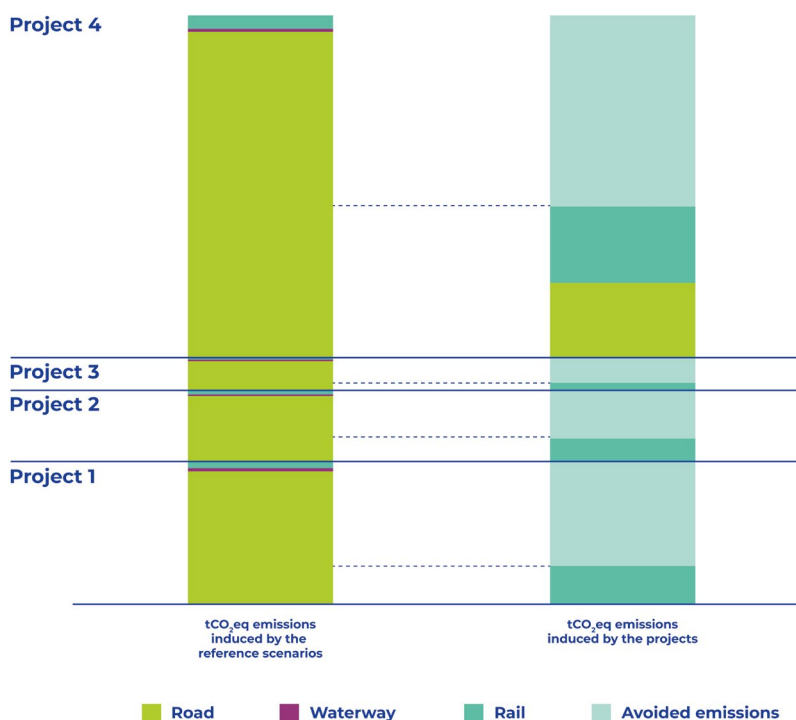
Instrument type	ISIN	Issue date	Tenor (years)	Use of proceeds	Nominal amount	Residual amount	% allocation
Senior Preferred bond	FR0014000TU2	11/01/2021	8	Clean mobility	77 400 000	77 400 000	100%
Senior Preferred bond	FR0014000ZH6	18/01/2021	10	Clean mobility	51 400 000	77 066 000	100%
<b>TOTAL</b>					<b>128 800 000 €</b>	<b>127 466 000 €</b>	

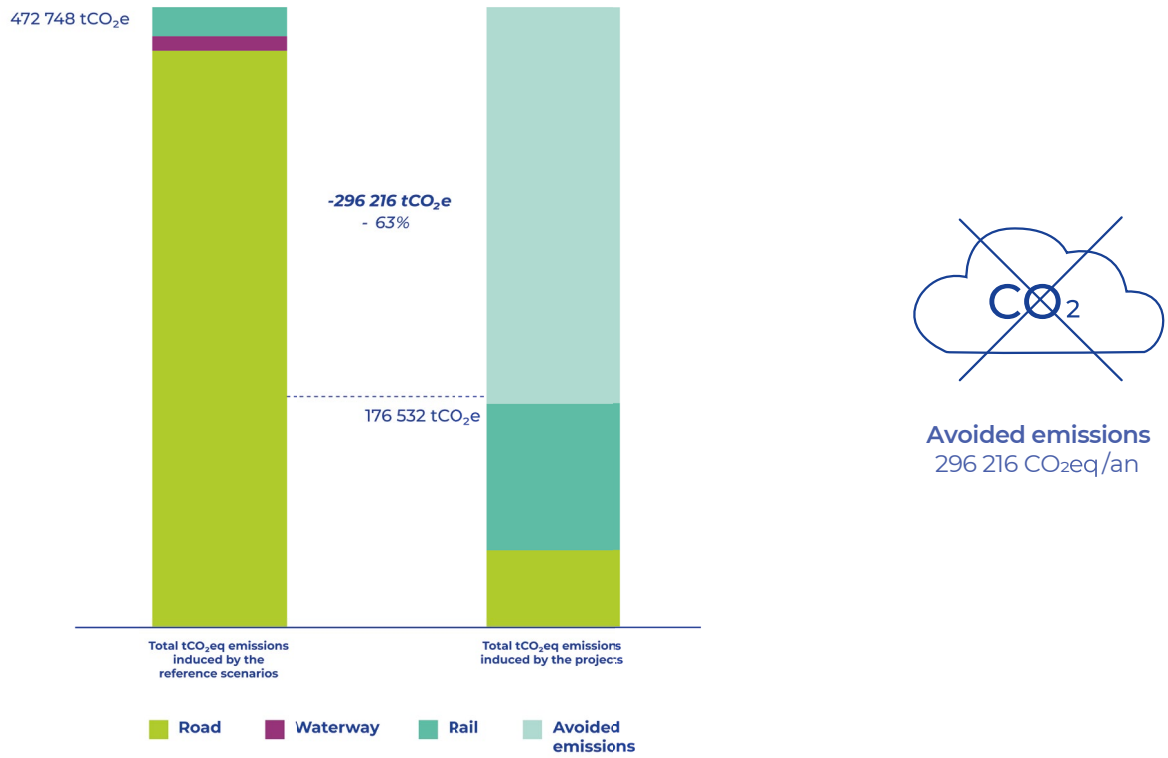
Project Category	Allocated amount (m€)	Induced emissions (tCO <sub>2</sub> eq/y)	Avoided emissions (tCO <sub>2</sub> eq/y)
<b>Clean transports (7 loans)</b>			
Trains/locomotives/wagons	127,47	176 532	296 216
<b>TOTAL</b>	<b>127,47</b>	<b>176 532</b>	<b>296 216</b>

\*The impact is allocated on the 2021 bond emissions which were not completely allocated at the end of 2022.

## Comparison between the TCO<sub>2</sub>eq induced by the reference scenario and the projects financed by La Banque Postale\*:

\*More information on the methodology used in the appendices





The use of rail transport corresponds to locomotives, wagons, and swap-bodies.

# Examples of eligible assets



## Clean Transport

**Asset:** Rail wagons & Swap-bodies

**Location:** France, Germany, Switzerland, Austria

**Description:** The company is a European provider of freight transport on both rail wagons and swap-bodies. Swap-bodies are platforms that can be adapted to both road and rail transport. This situation offers a new opportunity for a smooth transition to a decarbonised transport sector as intermodal solutions could promote the interoperability of transport modes.

With this project, La Banque Postale was able to avoid 153 792tCO<sub>2</sub>eq/year, equivalent to 2419tCO<sub>2</sub>eq/m€/y (impact allocated on the 2022 emissions).

## Renewable energy

**Asset:** Offshore wind farm

**Location:** Gruissan, France

**Description:** The project is named EolMed. Eolmed is one of the first floating wind pilot projects in France to be installed 18 km off the coastal town of Gruissan, in the South of France, respecting the coastal landscape and maritime fauna. It comprises three 10MW wind turbines. The Farm, with a total power of about 30 MW, will produce nearly 100 million kWh per year, sufficient to cover the annual electricity consumption of 50,000 inhabitants. La Banque Postale provided a comprehensive service as arranger and hedging bank.



All the impact calculations have been prorated on the 2022 bond emissions (or 2021 in the case of clean transports). The formula used was:

Residual amount of the 2022 bond emissions (per asset type) / global underlying portfolio of the assets.

## Methodology used for renewable energy

Three impact indicators are provided for renewable energies :

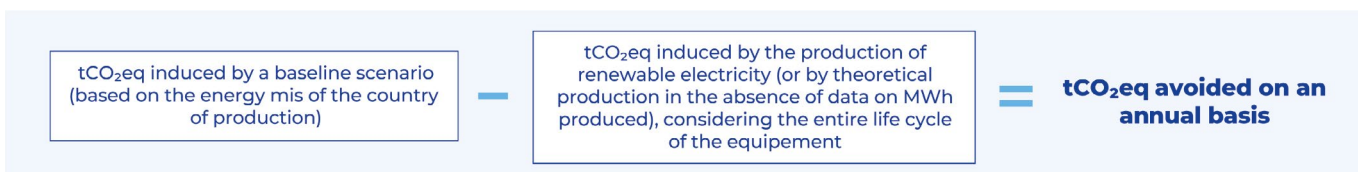
- Installed capacity (in MW) ;
- Electricity production (in MWh) ;
- Greenhouse gas emissions avoided (in tCO<sub>2</sub>eq).

The MW installed and MWh produced are provided by the operators.

With regard to the tCO<sub>2</sub>eq avoided, La Banque Postale worked with *Carbone4* to develop its impact calculation methodology.

The calculation of CO<sub>2</sub>eq emissions avoided is the result of the difference between the emissions induced by a baseline scenario representing the country's energy mix, and those induced by the manufacture of renewable energy equipment :

- ▶ tCO<sub>2</sub>eq avoided on an annual basis = tCO<sub>2</sub>eq induced by a reference scenario (based on the energy mix of the country of production) - tCO<sub>2</sub>eq induced by the production of renewable electricity (or by theoretical production in the absence of data on MWh produced), considering the emission factor of equipment manufacture.



### Worth knowing:

- In the European Union, the countries with the highest reference emission factors are, in descending order, Germany, the UK, Italy and Portugal.
  - France has the lowest reference emission factor.
- The methodology only considers the emission factors of upstream manufacture of equipment (scope 3). It does not include the emission factors of combustion (scope 1), nor of the fuels used upstream (scope 3).
  - The emission factors are multiplied by the amount of MWh generated in order to obtain the total emissions induced.
- The country's energy mix is the basis of the calculation. Indeed, in France developing renewable energies does not generate significant levels of avoided emissions because the country's energy mix is already highly decarbonised thanks to nuclear power. On the other hand, developing renewable energies in Germany for example, where the energy mix significantly relies on coal, allows significant levels of avoided emissions.

## Methodology used for clean transport

The calculation of tCO<sub>2</sub>eq emissions avoided by the financing of clean mobility (freight and passenger) by La Banque Postale was conducted by the cabinet Utopies.

The methodology used is as follows:

- The CO<sub>2</sub>eq emissions avoided are the result of the difference between the emissions induced by a baseline scenario representing the distribution of transport modes in Europe, and those induced by the so-called "real" scenarios representing each of the projects.
  - The calculation of the emissions generated by each scenario includes the distances travelled and the tons transported over the total lifetime of the modes of transport. These data are then multiplied by the emissions factors (source: ADEME) for each type of transport.
- The emissions are then weighted according to the share of LBP's financing in each project in order to calculate the Bank's contribution to the emissions avoided.
- The emissions avoided thanks to LBP's financing are reduced to the equivalent over one year.

The results of the impact calculations are expressed in tCO<sub>2</sub>eq/year avoided (carbon impact) and in tCO<sub>2</sub>eq/m€ /year (carbon intensity).

It is important to note that the projects concern both the expansion or renewal of fleets and the refinancing of existing assets. The funding is therefore not solely aimed at increasing the share of rail in European transport.

### Limits of the methodology:

- The analysis excludes emissions linked to maintenance, end-of-life equipment, and infrastructure.
- Due to a lack of available data, passenger transport (in the baseline scenarios) excludes air and inland waterway transport. For the same reason, domestic freight transport excludes air transport.
- The calculation of avoided emissions does not include the potential impact of the development of rail transport on the evolution of rail transport market shares and on train occupancy rates.
- The projects financed consist partly of refinancing existing assets. The results reflect the avoided emissions associated with the preservation and extension of the asset base financed by La Banque Postale.
- The mobility projects are not comparable as they do not finance the same equipment, La Banque Postale's share varies from project to project, and they do not finance the same markets (freight and/or passenger).

Comparison between the 2022 and 2023 methodologies and the impact of the changes in assumptions.

- A number of statistics and market data have been revised following updates to various sources and databases. For example:
  - The average distance travelled by a train over its lifetime has decreased (-900,000km);
  - The average net tonnage per train has increased (+68 tons) ;
  - The reference year is 2021 (unless no data is available, in which case it is 2019) ;
  - The 3 emissions factors have changed (2 of them upwards).
- These changes have resulted in :
  - An average decrease of 4.8% in avoided emissions for freight transport ;
  - An average decrease of 4.5% in avoided emissions for passenger transport ;

## Methodology used for green buildings

The impact indicator provided is tCO<sub>2</sub>eq. Here we have only considered the emissions generated by the use of the buildings, not its construction.

The calculation of avoided emissions is as follows = tCO<sub>2</sub>eq/year reference scenario - tCO<sub>2</sub>eq/year of refinanced assets (based on the LBP trajectory operationalisation tool).

- GHG emissions of the reference scenario (equivalent to the green portfolio): reference carbon intensity (ADEME: 25kgCO<sub>2</sub>/m<sup>2</sup>/year) x surface area of assets financed (LBP share on the 31/12/22).
- GHG emissions for the portfolio: median GHG intensity (kgCO<sub>2</sub>eq/m<sup>2</sup>/year) taken from the internal operationalisation tool for the residential property trajectory x surface area of the properties financed.

The impact is then prorated to the level of green emissions using the prorating factor (nominal of the green bond / global portfolio outstanding) applied to the portfolio's avoided CO<sub>2</sub>eq emissions.

### Worth knowing:

- LBP's financing share = outstanding of the loan on the 31/12/22 / the initial value of the dwelling.
  - The result is then multiplied by the surface area financed.
  - Only LBP's share of financing is considered.
- The reference carbon intensity is 25kgCO<sub>2</sub>/m<sup>2</sup>/year : it comes from the ADEME's statistical tool (updated on 02/10/2023). This reference is calculated from an average of the Energy Performance Diagnostics of houses and flats built in 2022 in France. It is therefore an average of the carbon intensity of the French housing stock (all types of housing combined).



## ■ Carbon footprint

A measure of the impact of activities on the amount of carbon dioxide (CO<sub>2</sub>) produced through the burning of fossil fuels.

## ■ Carbon neutrality

Having a balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks.

## ■ Connecting Europe Facility

Supports investment in European infrastructure projects of common interest, in particular to reduce greenhouse gas emissions in the transport, energy and digital sectors.

## ■ Decarbonisation

The removal of carbon dioxide (CO<sub>2</sub>) output in the atmosphere, achieved by switching to the use of low carbon energy sources.

## ■ Efficiency

The ratio between the useful energy a system delivers and the energy it consumes to operate.

## ■ Emission factor

Representative value that attempts to relate the quantity of a pollutant released into the atmosphere with the activity that releases the pollutant.

## ■ Energy mix

The combination of the different primary energy sources used in the production of electricity in a country.

## ■ Energy inefficient home

A poorly insulated and poorly heated home that consumes a lot of energy.

## ■ Fuel poverty

A person is in a situation of fuel poverty if, in their home, they have particular difficulties in obtaining the energy supply they need to satisfy their basic needs due to inadequate resources or housing conditions.

## ■ Green buildings

Offers a range of options for reducing the ecological impact of buildings. Green building is not a specific construction method, but a set of techniques, materials, and technologies that, which when properly integrated into a building, help to enhance its environmental performance. In its ideal incarnation, green construction optimises energy efficiency, limits water consumption, makes maximum use of recycled, recyclable, and non-toxic materials, and generates as little waste as possible during construction and occupation.

## ■ Haute Qualité Environnement Label

An HQE-certified building incorporates environmental requirements right from the construction or renovation stage. Strictly speaking, HQE is not a label that meets regulatory requirements, but a quality approach based on a reference framework.



### ■ **Loi relative à la Transition Énergétique pour la Croissance Verte (LTECV)**

Aims to enable France to make a more effective contribution to combating climate change and protecting the environment, as well as strengthening its energy independence while offering its businesses and citizens access to energy at a competitive cost.

### ■ **Plan France 2030**

This investment plan is in line with the France Relance plan. With €54 billion deployed over 5 years, it aims to develop industrial competitiveness and the technologies of the future, with half of the funding going to emerging players and half to decarbonisation initiatives.

### ■ **Plan France Relance**

The exceptional €100 billion "France Relance" recovery plan is being rolled out by the government under 3 main headings: ecology, to support the transition to a greener, more sustainable economy; competitiveness, to provide businesses with the most favourable conditions for developing their activities and thus preserving jobs for employees; and cohesion, to guarantee solidarity between generations, between regions and between all French people.

### ■ **Primary energy sources**

All unprocessed energy sources, whether directly used or imported.

### ■ **Renewable energy**

Energies generated from natural sources that are renewed at a faster rate than they are consumed.

### ■ **Renewable Energy Directive**

Legal framework for the development of clean energy across all sectors of the European Union economy, supporting cooperation between the European Union countries towards this goal.

### ■ **Stratégie Nationale Bas-Carbone (SNBC)**

Introduced by the LTECV, the SNBC is France's roadmap for combating climate change. It sets out guidelines for implementing the transition to a low-carbon, circular and sustainable economy in all sectors of activity. It defines a trajectory for reducing greenhouse gas emissions up to 2050 and sets short- and medium-term targets: carbon budgets.

### ■ **Sustainable and Smart Mobility Strategy**

Lays the foundation for how the EU transport system can achieve its green and digital transformation and become more resilient to future crises.

### ■ **Sustainable City and Innovative Buildings Strategy**

Part of the "Living in the France of Tomorrow" initiative, which aims to expand and support virtuous projects and promote new solutions in response to the challenges of tomorrow's cities and regions, focusing on 4 challenges: sobriety, resilience, inclusion, and production.

### ■ **Sobriety**

Voluntary and organised reduction in energy consumption.

### ■ **TCO<sub>2eq</sub> avoided**

Emissions avoided when a product is used as a substitute for other goods or services fulfilling the same functions but with a lower carbon intensity.



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# La Banque Postale

**Report of one of the Statutory Auditor on the verification of a selection of information disclosed in the “Green Bond 2022 Allocation & Impact Report” related to the Green Bonds issuances of 2022 by La Banque Postale**

Year ended December 31th 2022  
La Banque Postale  
115 rue de Sèvres, 75275 Paris Cedex 06

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Capital : 5 497 100 €  
775 726 417 RCS Nanterre



## La Banque Postale

115 rue de Sèvres, 75275 Paris Cedex 06

### Report of one of the Statutory Auditor on the verification of a selection of information disclosed in the “Green Bond 2022 Allocation & Impact Report” related to the Green Bonds issuances of 2022 by La Banque Postale

Year ended December 31st 2022

To the Directors of La Banque Postale,

In our capacity as Statutory Auditor your company (hereinafter the “entity”), and in accordance with your request, we have undertaken a limited assurance engagement on the following information (the “Information”) presented in the “Green Bond 2022 Allocation & Impact Report” (hereinafter the “Report”), available on the company’s website:

- the allocation, as of December 31st, 2022, of funds raised by the entity through the Green Bonds issued in 2022 (“the Issuing”) contained in the Report,
- the projects financed by the Issuing and identified as eligible by the entity (“Eligible Projects”),
- the carbon impact indicators regarding the eligible projects.

The Information has been prepared in the context of the “Green, Social & Sustainability Bond Framework” (hereinafter the “Framework”) defined by the entity, available on the entity’s website<sup>1</sup>.

## Conclusion

Based on the procedures we performed, as described under the "Nature and scope of procedures" paragraph, and the evidence we obtained, nothing has come to our attention that causes us to believe that the Information is not prepared, in all material respects, in accordance with the Framework available on the entity’s website.

## Preparation of the Information

The absence of a commonly used and generally accepted reporting framework or of a significant body of established practices on which to draw to assess and measure the 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 Framework.

## Responsibility of the entity

Management of the entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information,
- selecting the Eligible Projects regarding the eligible criteria,

<sup>1</sup> <https://www.labanquepostale.com/legroupe/investisseurs/dette.obligationsvertes.html>



- preparing the Information in accordance with the Framework,
- designing, implementing, and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

### **Responsibility of the Statutory Auditor**

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on the fact that the Information is free from material misstatement, whether due to fraud or error, and has been prepared, in all material respects, in accordance with the Framework.

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.

It is not our responsibility to:

- Challenge the eligibility criteria as defined in the Framework, and, in particular, we give no interpretation on the final terms of this Framework,
- Form an opinion on the effective use of the funds allocated to the Eligible Projects after such funds were allocated.

### **Applicable professional guidance**

We performed the limited assurance engagement in accordance with the international standard ISAE 3000 (revised)<sup>2</sup> and with the international standard ISAE 3410<sup>3</sup>.

### **Our independence and quality control**

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

### **Means and resources**

Our work was carried out by an independent and multidisciplinary team including specialists in sustainable development and corporate social responsibility.

### **Nature and scope of procedures**

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

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<sup>2</sup> ISAE 3000 (Revised) - *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

<sup>3</sup> ISAE 3410 – *Assurance Engagements on Greenhouse Gas Statements*



To assess this risk, we took into account the entity's internal controls on the preparation of the Information in order to design appropriate assurance procedures, and not with the purpose of expressing a conclusion as to the effectiveness of the entity's internal control system.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We identified and conducted several interviews with the persons responsible for the collect of the Information, with the Directions in charge of overseeing the collect of the Information and, where appropriate, with those responsible for internal control and risk management procedures,
- We assessed the suitability of the procedures used by the entity to report the Information with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector,
- We verified the existence of internal control and risk management procedures implemented by the entity,
- We verified the consistency of the Information with the accounting records and underlying data,
- We reviewed the processes used for data collection, aggregation, processing, monitoring and control, in particular the procedures relating to the allocation of funds as of December 31<sup>st</sup> 2022,
- On the basis of a representative sample of projects, namely financed and refinanced loans:
  - verify the eligibility of these projects with regard to the eligibility criteria defined in the Framework,
  - verify the concordance of the amounts of the projects as of December 31<sup>st</sup> 2022, with the accounts and the data underlying the accounts,
- verify that the amount of funds allocated to projects is less than or equal to the amount of these projects as of December 31<sup>st</sup> 2022.
- verifying that the methods for measuring the impact indicators related to the selected eligible projects, as summarized in the methodological note, presented in the "Methodology appendix" section of the Annual report, have been properly applied, without calling them into question, by reconciling:
  - input data in the spreadsheets prepared by the Group with regards to the selected projects to which the proceeds have been allocated for fiscal year 2022, by category of eligible projects;
  - other source documents that we deemed necessary for the calculations;
  - the results of the spreadsheets related to the impact indicators.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*), a higher level of assurance would have required us to carry out more extensive procedures.



This report has been prepared within the context described above and may not be used, distributed or referred to for any other purpose.

Paris la Défense, December 15th 2023

KPMG S.A.

A handwritten signature in blue ink, appearing to read 'Brice Javaux'.

Xavier De Coninck  
Partner

Brice Javaux  
ESG Expert



## Appendix : Extracts from the *Green Bonds Annual allocation & impact report 2022*

### Allocation report

#### Global Underlying Portfolio

Project Category	Number of projects/loans	Amount (m€)
<b>Renewable Energy</b>		
Solar	50	783,02
Wind Onshore	29	551,89
Wind Offshore	7	271,02
<b>Sustainable mobility</b>		
Trains/Locomotives/Wagons	7 <sup>a</sup>	133,48
<b>Green buildings</b>		
Apartments	3 993	500,94
Houses	3 101	425,56

Underlying Portfolio of the 2022 emissions						
Theme of issuance	Nominal amount (m€)	Residual amount (m€)	Project categories	% allocation	Number of projects/loans	Allocated amounts (m€)
<b>Renewable Energy and Green Loans<sup>a</sup></b>	338,25	337,56			86	
			Solar	100%	50	164,59
			Wind Onshore	100%	29	116,01
			Wind Offshore	100%	7	56,97
<b>Green buildings</b>	750	750			7 094	
			Apartements	100%	3 993	405,51
			Houses	100%	3 101	344,49

### Impact report

#### Global Underlying Portfolio Impact

Project Category	Number of projects/loans	Allocated amount (m€)	Breakdown of the global underlying portfolio (residual amounts)	Installed capacity (MW)	Induced emissions (tCO <sub>2</sub> e/y)	Avoided emissions (tCO <sub>2</sub> e/y)	Breakdown of avoided emissions	Carbon intensity (tCO <sub>2</sub> e/y/m€)
<b>Renewable Energy<sup>a</sup></b>								
Solar	50	783,02	29%	1 026	46 830	48 219	10%	61,58
Wind Onshore	29	551,89	21%	766	17 850	58 365	12%	105,76
Wind Offshore	7	271,02	10%	136	4 670	72 309	15%	266,81
<b>Sustainable mobility</b>								
Trains/Locomotives/Wagons	7	133,48	5%	NA	184 861	310 191	63%	2 323,88
<b>Green buildings</b>								
Apartments	3 993	500,94	19%	NA	1 912	2 615	0,53%	5,22
Houses	3 101	425,56	16%	NA	1 284	2 221	0,45%	5,22
<b>TOTAL</b>		<b>2 665,30</b>			<b>257 007</b>	<b>493 920</b>		<b>27 68,46</b>

#### La Banque Postale

Report of one of the Statutory Auditor on the verification of a selection of information disclosed in the "Green Bond 2022 Allocation & Impact Report" related to the Green Bonds issuances of 2022 by La Banque Postale  
Year ended December 31st 2022



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