“ESG IN FIXED INCOME GLOBAL SERIES 2021”

Panel: The “art” of Social Bond Reporting

16th June 2021 | 2.30 PM (CET)
Social Bond Impact Reporting: Context

- In Sustainable Finance, social matters have long been addressed through the lenses of risk factors and minimum safeguards.

- Conversely, **Use-of-Proceeds Social Bonds** focus on the contribution to adequate living conditions (e.g. living income, housing, education, health).

- The **upcoming EU Social Taxonomy** may rebalance this situation (through its “vertical dimension” on the contribution to social objectives made through products & services, in particular the promotion of adequate living conditions for individuals and groups in situation of vulnerability)

- The **COVID-19 crisis** scaled-up this market with record-size inaugural Social Bonds in 2020. **Post-issuance impact reporting** is an integral part of the ICMA Social Bond Principles.

- **Impact reporting is an arduous task for issuers** but also the most scrutinized by investors. Practices are nascent and not standardized.

- We can depict these **ever-evolving practices as an “art”** because of the intricacies of this exercise.
The Art of Social Bond Impact Reporting

- THIRD-PARTIES
- TARGET POPULATION SEGMENTATION
- METHODOLOGICAL TOOLS
- INPUT

- IMPACT
- EX ANTE / EX POST
- ECONOMETRIC MODELS (INPUT-OUTPUT)

- OUTCOME
- AVAILABILITY, ACCESS, ACCEPTANCE, QUALITY (AAAQ)
- THEORY OF CHANGE
- DATA VISUALIZATION
- INTERNAL DATABASES

- DATA SOURCES AND COLLECTION PROCESSES
- Metrics & KPIs
- BENEFICIARIES SURVEY
- GEOSPATIALIZATION

- CASE STUDIES
- PUBLIC STATISTICS
- METHODOLOGY TRANSPARENCY
- OUTPUT
A benchmark of impact reporting made of a sample of 16 Social Bond issuers

The criteria we used to include Social Bond Impact Reports in our benchmark are:

- **The size of the issuance** (above EUR300m)
- **The availability of an impact reporting**

- Council of Europe Development Bank
- SFIL group (CAFFIL)
- Caisse des Dépots et Consignations
- Kommunal Kredit Austria
- Action Logement
- Nederlandse Waterschapsbank
- North Rhine-Westphalia
- Cassa Depositi e Prestiti
- Instituto de Credito Oficial
- Wallonie service public SPW
- Deutsche Kreditbank AG
- CaixaBank SA
- Bank of America
- Danone SA
Social Bond Impact Reporting: State of Affairs

### CONTENT & FORMAT

| #1 | A detailed list of projects, activities, assets under each Social Bond eligible category (amount line by line, location, number of beneficiaries, share of funding, financing versus refinancing) **is far from systematic.** |
| #2 | The **mapping against the UN SDGs** is almost systematic but often superficial (stickers tagging, rare reference to SDG sub-targets). |
| #3 | A **breakdown of target populations** is frequently disclosed in total or per project (but less per eligible categories). |
| #4 | **Data visualization** is key with high room for improvement. Infographics can be user-friendly. The use of maps with a geographic distribution of the proceeds is a plus, however, as of today, it is not sophisticated enough (e.g. legend, information hierarchization). |

### RESOURCES, STAKEHOLDERS, DATA SOURCES & METHODOLOGIES

| #5 | Indicators focus on **amount allocated and total beneficiaries** (input or output indicators), but barely on the **outcomes** and **results** achieved thanks to the projects or assets. Sometimes, effects cannot be quantified. Effects are often not traced back to investments by the issuer or cannot be allocated to the share of investment by the issuer. |
| #6 | Main tools used to feed impact reporting are **internal databases** (output data), **econometric models using public data** (to feed input-output calculation models about employment creation) are used by FIGs to model the impact of their loans. Surveys to beneficiaries are promising. **Macro data and granular data enhance the impact reporting quality.** Public statistics can be mobilized in conjunction with surveys. |
| #7 | Overall, **issuers do not involve third-parties** (consultancies, think tanks) in the design of their impact reporting reports, the exception being NRW, CaixaBank, ICO. |
| #8 | The market of **social impact reporting services providers is in its infancy**: these services can range from assistance in elaborating KPIs, verifying data quality, drafting the report, or external assessment of the report. |
# Social Bond Reporting: a few recommendations

## Allocation reporting

### Project, category and asset data disclosure

1. Systematically identifying the Social Project categories to which Social Bond proceeds have been allocated (against the Framework eligible project categories, but also the ICMA’s Social Bond Principles categories and sub-categories). For Sustainable Bonds, **disclosing the split between green and social projects is essential and demanded by investors**.

2. **Striking a balance between portfolio-level/consolidated reporting** (using anonymized and aggregated data, that is necessary when a large number of small projects is (re)financed by the proceeds) and project-level reporting (case studies or highlights).

## Target population segmentation

3. Providing **evidence and rationale** regarding the population targeting, explaining for instance **why these individuals or households are deemed vulnerable** (quantitative information about access to employment, poverty, social inclusion, level of education, health conditions, etc.).

4. **Clariﬁng the target populations** (with socio-demographic data disaggregation when possible) for which positive socio-economic outcomes are expected and describing **contemplated cause-effect chains**.

## Impact reporting

### Data & methodologies

5. **Mixing different impact data sourcing streams or methods** (indicators resulting from internal databases, input-output methodology, beneficiaries survey).

6. Disclosing data collection processes and metrics designing methods, underlying hypothesis and calculation methodologies, and specifying when the data is **ex ante estimates versus observed ex post** (i.e., once an asset or project is completed).

## Impact claims

7. Reporting impacts until full allocation of the proceeds or even at maturity when possible (as some projects or activities span over years and require time to deliver real impacts).

8. **Avoiding superficial identification or unsubstantiated alignment claim** with market-wide social or human development objectives, such as the UN Sustainable Development Goals (SDGs).
### CaixaBank case study | Analysis Template

**Bond features / Program features**
- Sustainable Development Goals (SDGs) Bond Framework [Link]
- Issue date: 26/09/2019
- Maturity: 5Y
- Size: EUR 1,000M
- Coupon: 0.63%

**Eligible categories financed by the Bond**
- Employment generation through SME financing and microfinance: SDG 8
- Access to essential services: SDG 1

**Reporting details**
- Impact Report [Link] – inaugural Bond report
- Published in October 2020
- Data collected until September 2020
- External verification [PwC]

### Features of the Allocation & Impact Report

<table>
<thead>
<tr>
<th>Funds allocation per eligible categories</th>
<th>Given per SDG and category (50/50 between SDG 1 and SDG 8).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unallocated proceeds</td>
<td></td>
</tr>
<tr>
<td>Pool of non-earmarked eligible assets</td>
<td>Pool/buffer of €1.1 Bn of eligible assets meeting the SDG Framework Criteria</td>
</tr>
<tr>
<td>Share of new financing / refinancing (%)</td>
<td>25% / 75%</td>
</tr>
</tbody>
</table>

**Definition of targeted populations**
- Beneficiaries are identified with age, gender, average life of loans and average size for each category. Annexes or notes for target populations or areas.

**Third-parties involvement**
- Report “calculated” with Deloitte but PwC for the audit

**Scope of verification and/or assistance:**
- Elaboration of the KPI
- Auditing of the data
- Writing of the report
- External assessment

### Indicators provided & data visualization

<table>
<thead>
<tr>
<th>Input/output indicators</th>
<th>Loans by sector, region, beneficiary // jobs created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcomes / Impact indicators</td>
<td>Survey with questions on impact on family well-being, achievement of projects, of liquidity &amp; savings capacity</td>
</tr>
<tr>
<td>Presence of an aggregated impact KPI</td>
<td>Employment and economic impact: calculated using surveys, input-output models and Caixa's databases</td>
</tr>
<tr>
<td>Disaggregation of data</td>
<td>Per stakeholder/beneficiary (gender, age) Per location, per sector and per business</td>
</tr>
<tr>
<td>Data sources &amp; clarity of the data</td>
<td>Time period covered: 12 months Lots of footnotes and methodological annexes</td>
</tr>
<tr>
<td>Case studies or highlights</td>
<td>Highlights on specific answers from the survey with visual material</td>
</tr>
<tr>
<td>Data visualization</td>
<td>Very visual, graphs, pie charts</td>
</tr>
<tr>
<td>Calculation methodologies availability</td>
<td>Quite precise and explicit, detailed for each item</td>
</tr>
<tr>
<td>Ex ante / ex post KPIs</td>
<td>Questions of the survey are only about ex post situation</td>
</tr>
</tbody>
</table>

### Areas of improvement

Overall, the report is comprehensive, and the methodology of every item is provided. The report could become clearer if it explained what is understood by *direct, indirect or induced* jobs, GDP or impact. Quantitative indicators on the well-being, savings and other socio-economic factors could be developed and filled by beneficiaries in the survey, instead of asking them to rate how much they perceive the impact on their personal or family socio-economic situation after having borrowed the loan.
Our publications (on social topics)

Recent articles:
- The EU Social Taxonomy Draft: promising building blocks
- A growing momentum for Fair Transition Finance
- The European Union's plunge in the Social Bonds Market
- Unédic issued the two largest social bonds ever in the midst of the covid-19 crisis
ENVIRONMENTAL FINANCE & SOCIAL BONDS – 16th June 2021
The “art” of Social Bond Reporting
Financing Social Sustainability Development in WALLONIA
WALLONIA IN BELGIUM FEDERAL STATE

3 REGIONS
TERRITORY RELATED
COMPETENCES
Equipment, Transport, Natural
Resources, Quality of Life, Economy

3 COMMUNITIES
LANGUAGE RELATED
COMPETENCES
Education, Culture & Sport

The Flemish Region
The Brussels-Capital Region
The Walloon Region

The Flemish Community
The German-speaking
Community
The Walloon and Brussels
Federation

3.63 million inhabitants
(33% of Belgium)

16,901 km²
(55.1% of territory)

French speaking
German speaking

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REGIONAL COMPETENCES

- **Equipment and Transport**
  - Mobility - Waterways - Sport Facilities - Heritage

- **Natural Resources**
  - Environment - Water - Agriculture - Conservation of Nature

- **Quality of Life**
  - Housing - Health - Social Integration & Empowerment
  - Town and Country Planning - Energy - Rural Renovation - Waste

- **Local Authorities**
  - Municipalities - Provinces - School Buildings
  - Public Center for Social Assistance

- **Economic Activities**
  - Economy - Foreign Trade - Development Cooperation – Research - Technologies - Tourism - EU Structural Funds
  - Employment & Professional Training
CATEGORIES OF EXPENSES IN WALLONIA FRAMEWORK 2019 - 2020

**GREEN CATEGORIES**

<table>
<thead>
<tr>
<th>Cat</th>
<th>Category</th>
<th>2019 - 2020 (€ million)</th>
<th>2019 - 2020 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cat 1</td>
<td>RENEWABLE ENERGY</td>
<td>2.7</td>
<td>0.1%</td>
</tr>
<tr>
<td>Cat 2</td>
<td>ENERGY EFFICIENCY &amp; LOW CARBON BUILDINGS</td>
<td>277.9</td>
<td>10.2%</td>
</tr>
<tr>
<td>Cat 3</td>
<td>SUSTAINABLE MOBILITY</td>
<td>298.0</td>
<td>11.0%</td>
</tr>
<tr>
<td>Cat 4</td>
<td>CIRCULAR ECONOMY</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Cat 5</td>
<td>SUSTAINABLE FOOD &amp; CONSUMPTION</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Cat 6</td>
<td>PROTECTION OF RESOURCES, LAND &amp; BIODIVERSITY</td>
<td>90.9</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

**SOCIAL CATEGORIES**

<table>
<thead>
<tr>
<th>Cat</th>
<th>Category</th>
<th>2019 - 2020 (€ million)</th>
<th>2019 - 2020 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cat 1</td>
<td>EDUCATION &amp; EMPLOYMENT PROMOTION</td>
<td>492.9</td>
<td>18.2%</td>
</tr>
<tr>
<td>Cat 2</td>
<td>SOCIO-ECONOMIC ADVANCEMENT &amp; EMPOWERMENT</td>
<td>729.1</td>
<td>26.9%</td>
</tr>
<tr>
<td>Cat 3</td>
<td>AFFORDABLE HOUSING</td>
<td>539.0</td>
<td>19.9%</td>
</tr>
<tr>
<td>Cat 4</td>
<td>ACCESS TO BASIC PUBLIC INFRASTRUCTURES &amp; ESSENTIAL SERVICES</td>
<td>284.0</td>
<td>10.5%</td>
</tr>
</tbody>
</table>

**Total** | **2 714.5** | **100.0%**
### Eligible social categories

<table>
<thead>
<tr>
<th>Target Populations</th>
<th>People living below poverty line</th>
<th>Marginalised People</th>
<th>People with disabilities</th>
<th>Elderly</th>
<th>Large and Single-Parent Families</th>
<th>Young People</th>
<th>Jobseekers</th>
<th>All Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education &amp; employment promotion</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Socio-economic advancement &amp; empowerment</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Affordable housing</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Access to basic infrastructure &amp; essential services</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

"ENSURE ACCESS TO FUNDAMENTAL RIGHTS AND COLLECTIVE WELL-BEING FOR ALL"
SOCIAL CONTEXT IN WALLONIA – SOME 2020 FIGURES

14.8% of 18-24 years old are not in education, training or employment

18.3% of citizens live below the poverty line

15.3% of citizens are in a situation of material and social deprivation

7.4% of the citizens are unemployed

6.56% of citizens have a disability

18.9% of the citizens are over 65

Sources: IWEPS
Three-step methodology for the assessment of social public policies
(EU - The resource for the evaluation of Socio-Economic Development - Directorate-General Regional Policy, September 2013)

**OUTPUT Indicators**
All goods or services produced by the activity / investment

*Example of indicators:*
- Nr. of aids / services granted
- Amounts of financial aids

*Type of data:*
- Quantitative / statistical data

*Collect of data:*
- Internal data sources related to the use of proceeds

*Stakeholder(s):*
- Public administrations in charge of social expenditures

**OUTCOME Indicators**
Immediate benefits generated by the product or service for target audiences

*Example of indicators:*
- Nr. of beneficiaries integrated / empowered

*Type of data – need of granularity:*
- Macrosocial characteristics of the Wallonia
- Target beneficiaries in the scope
- Nr. of beneficiaries already reached

*Collect of data:*
- Internal data sources related to the use of proceeds and generation of benefits

*Stakeholder(s):*
- Public administrations and statistics institute (IWEPS)

**IMPACT Indicators**
Sustainable effects beyond outcomes linked with the social priorities of Wallonia

*Example of indicators:*
- Strengthening social cohesion

*Type of data:*
- Quantitative data
- Qualitative data

*Collect of data:*
- Surveys (experimental, quasi-experimental and comparative method)

*Stakeholder(s):*
- Statistics Institute (IWEPS) and research centers
AID FOR THE RENOVATION OF SOCIAL HOUSING

RENOPACK PROGRAMME

- the entire Wallonian territory
- budget renewed annually by Wallonia
- Wallonian poverty reduction plan (PRDP)

Presentation of the project
Interest-free instalment loan with a maximum term of 15 years and a maximum amount of € 30,000 per household for renovation work and/or energy-saving works.

Objective
Stimulation of demand for renovation of private buildings intended for household-dwelling (with special attention to people belonging to the two lowest net taxable income categories).

Target audience
The accommodation must be occupied by the applicant with a maximum of 3 dependent children (SWC3) or for landlords/tenants of an accommodation with 3 or more dependent children (RDWI).

Budget allocation

<table>
<thead>
<tr>
<th>Use of proceeds</th>
<th>Committed amounts</th>
<th>Allocated amounts</th>
<th>% allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing of expenditures 2018</td>
<td>€ 39.9 million</td>
<td>€ 39.0 million</td>
<td>97.7%</td>
</tr>
<tr>
<td>Financing of expenditures 2019</td>
<td>€ 46.4 million</td>
<td>€ 35.4 million</td>
<td>76.3%</td>
</tr>
<tr>
<td>Amount financed by SB 2019</td>
<td>€ 86.3 million</td>
<td>€ 74.4 million</td>
<td>86.2%</td>
</tr>
</tbody>
</table>

Project impact indicators

<table>
<thead>
<tr>
<th>Type of indicator</th>
<th>Indicator</th>
<th>Data</th>
<th>Methodology note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output indicator</td>
<td>Amounts of loans granted (2018 + 2019) by the SWC3</td>
<td>€ 50 645,5236 intended for income categories C1 and C2</td>
<td>/</td>
</tr>
<tr>
<td>Outcome indicator</td>
<td>Amounts of tenancy granted (2018 + 2019) by the SWC2</td>
<td>€ 12 301 79% intended for income categories C1 and C2</td>
<td>/</td>
</tr>
<tr>
<td>Impact indicator</td>
<td>Number of beneficiaries</td>
<td>4 050</td>
<td>A-2</td>
</tr>
</tbody>
</table>

("Measures being in implementation phase - Figures not available at time of publication")
ACCESS TO ESSENTIAL SERVICES AND BASIC PUBLIC INFRASTRUCTURES

Presentation of the project:
Arrangement of step areas for people with reduced mobility (PRM) and/or lay-out of buses (access ramps, adequate platform, low and flat floors, audible sound signal, light signal, etc.).

Objective:
Improve the accessibility of regular lines in urban areas and offer a dedicated transport service on demand (door to door) for people with reduced mobility (PRM) in rural areas.

Budget allocation

<table>
<thead>
<tr>
<th>Use of proceeds</th>
<th>Committed amounts</th>
<th>Allocated amounts</th>
<th>% allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing of expenditures 2018</td>
<td>/</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td>Financing of expenditures 2019</td>
<td>€ 4.2 million</td>
<td>€ 4.2 million</td>
<td>100 %</td>
</tr>
<tr>
<td>Amount financed by SR 2019</td>
<td>€ 4.2 million</td>
<td>€ 4.2 million</td>
<td>100 %</td>
</tr>
</tbody>
</table>

Project Impact Indicators

<table>
<thead>
<tr>
<th>Type of Indicator</th>
<th>Indicator</th>
<th>Data</th>
<th>Methodology note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Indicator</td>
<td>Number of TEC buses adapted for PRM</td>
<td>n.d. *</td>
<td>/</td>
</tr>
<tr>
<td>Outcome Indicator</td>
<td>Number of PRM beneficiaries using TEC services</td>
<td>n.d. *</td>
<td>A-1</td>
</tr>
<tr>
<td>Impact Indicator</td>
<td>Strengthening social cohesion</td>
<td>n.d. *</td>
<td>n.d. *</td>
</tr>
</tbody>
</table>

("* Measures being in implementation phase - figures not available at time of publication")
MANAGEMENT OF THE UNEMPLOYMENT INSURANCE

LAW

Negociation framework and approval of the rules by the government

SOCIAL PARTNERS

Employers’ Organisations
MEDEF, CPME, U2P

Trade Unions
CFDT, CFE-CGC, CFTC, CGT, FO

PRESCRIBES AND CONTROLS
Prescribes, guarantees and controls the conditions for implementing unemployment insurance scheme

MANAGES
Ensures the financial management of unemployment insurance scheme while guaranteeing its independence

EVALUATES
Produces the studies and analyses supporting the strategic decision making for the insurance scheme
OVERVIEW OF THE SOCIAL BOND FRAMEWORK

Fully compliant with the Social Bond Principles (ICMA)

USE OF PROCEEDS

• Social Protection
  Socio-economic development (SBP)

• Social support
  Access to essential services (SBP)

MANAGEMENT OF PROCEEDS

• Transparent Allocation process

• Management of unallocated proceeds
  Temporary placement in deposits accounts, low-risk investment instruments or responsible investments funds (on a best effort basis)

SELECTION PROCESS

• Specific guidelines
  Tripartite agreement between French Government, Unédic and Pôle emploi
  Conditions for entitlement to support schemes

• Social Bond Committee

REPORTING

• Publication of an annual reporting until complete allocation of proceeds

• Allocation reporting
  Audited by an independent auditor

• Social Impact Reporting
  Review and validation by the Social Bond committee
CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Two social missions: PROTECTING AND SUPPORTING WORKERS IN SUSTAINABLE EMPLOYMENT

PROTECTING

Target 1.3: Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

SUPPORTING

Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Roadmap’s challenge #1

Act for a fair transition, by fighting all types of discrimination and inequality and guaranteeing the same rights, opportunities and freedoms for everyone

Roadmap’s challenge #3

Focus on lifelong education and training to change behaviors and lifestyles that are adapted to our future world and sustainable development challenges

Examples of Unédic’s contributions

• Financial solidarity across economic sectors and regions
• Proportionally higher benefits for low-wages workers
• Schemes adaptation for overseas French territories
• “Gig economy”

Acute challenges & vulnerable population

• Financing of Pole emploi (e.g. strengthened human support for long-term jobseekers)
• Youth employment programme, education or training
• Digital exclusion
• Discrimination

Contribution to the UN 2030 Agenda

Contribution to France’s roadmap for the 2030 agenda (released in Sept. 2019)
On the 28th of January 2021, Unédic’s funding programme was approved by its Governance board and amounts to 13 billion euros for 2021.

**EMTN** bond funding authorisation set at €13bn

*Backed up by explicit guarantee from the French state*

Overall 2021 medium and long term funding programme set at €13bn

*Source: Unédic, as of May 31st 2021*
Amundi Social Bonds

Everyone can contribute to address social inequalities
Amundi Social Bonds: an innovative Fixed Income solution to finance social projects

Social Bonds: a promising market
Issuance volumes in $ billion

2018 2019 2020 2021
11 22 16 38 138 175 84 264
- New issuances
- Cumulated

Pandemic expected to push more than 150 million people into poverty by 2021

Inequalities have been reinforced by Covid-19, affecting the most vulnerable...

Social Bonds: a vehicle for integrating the social dimension

A social bond exclusively finances projects that create a positive social impact on a targeted population

The 4 pillars of the Social Bonds Principles: Transparency and integrity

1. Selection process/evaluation of funded projects
2. Management of funds raised until deployment
3. Reporting
4. Which projects will they fund?
Active Fixed Income solution that promotes best "social" practices

Amundi Social Bonds: Management style
Active & flexible, integrating the social dimension

Core allocation
75% Min
Social obligations in line with SBP

Diversification
25% max
Issuers with best social practices

Categories of projects in line with the UN’ SDGs

Affordable basic infrastructure
Affordable housing
Food security & sustainable food systems
Access to essential services
Employment generation
Socio-economic advancement

Amundi: Credentials and Expertise

Amundi is an Executive Committee member since 2017 and fully backs the Association’s priorities

e.g. the development of Green Bonds market, the standardization and impact reporting practices

Active player in GSS Market

€20bn invested in Green Bonds
€3,2bn invested in Social Bonds
€3,6bn invested in Sustainable Bonds

*most commonly used types of projects but not limited to 1. Sustainable Development Goals. Source: https://www.un.org/sustainabledevelopment/sustainable-development-goals/
Amundi Social Bonds: Extra-financial reporting (1/2)

Use of proceeds breakdown by Project Categories and Target Population

<table>
<thead>
<tr>
<th>Project category</th>
<th>Poids</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable basic infrastructure</td>
<td>3 %</td>
</tr>
<tr>
<td>Access to essential services</td>
<td>12 %</td>
</tr>
<tr>
<td>Affordable housing</td>
<td>10 %</td>
</tr>
<tr>
<td>Employment generation (including SME financing)</td>
<td>18 %</td>
</tr>
<tr>
<td>Food security</td>
<td>2 %</td>
</tr>
<tr>
<td>Socioeconomic advancement and empowerment</td>
<td>21 %</td>
</tr>
<tr>
<td>Other Social (%)</td>
<td>1 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target population</th>
<th>Poids</th>
</tr>
</thead>
<tbody>
<tr>
<td>Living below poverty line</td>
<td>13 %</td>
</tr>
<tr>
<td>Excluded/Marginalized populations</td>
<td>4 %</td>
</tr>
<tr>
<td>Other Vulnerable groups, including natural disasters</td>
<td>6 %</td>
</tr>
<tr>
<td>People with disabilities</td>
<td>3 %</td>
</tr>
<tr>
<td>Migrants/Displaced persons</td>
<td>3 %</td>
</tr>
<tr>
<td>Undereducated</td>
<td>4 %</td>
</tr>
<tr>
<td>Underserved</td>
<td>14 %</td>
</tr>
<tr>
<td>Unemployed</td>
<td>16 %</td>
</tr>
<tr>
<td>Women and/or sexual and gender minorities</td>
<td>4 %</td>
</tr>
<tr>
<td>Aging populations and vulnerable youth</td>
<td>7 %</td>
</tr>
<tr>
<td>Other</td>
<td>3 %</td>
</tr>
</tbody>
</table>

Source: Amundi as at 30/04/2021 for illustrative purposes only.
Amundi Social Bonds: Extra-financial reporting (2/2)

Use of proceeds Breakdown by Geographical area

Geographical Area

- Africa: 61.73%
- Asia: 4.68%
- Europe: 1.73%
- North America: 0.00%
- Pacific: 1.55%
- South America: 1.37%
- Undisclosed: 6.15%

European split by country

- Austria: 13.49%
- Belgium: 0.95%
- Europe: 4.11%
- France: 0.39%
- Germany: 1.01%
- Italy: 24.05%
- Netherlands: 10.30%
- Spain: 4.67%
- Sweden: 1.20%
- UK: 1.10%
- Undisclosed: 4.19%

Source: Amundi as at 30/04/2021 for illustrative purposes only.
Amundi Social Bonds: Key Messages

Financing social projects with positive social outcomes

- Ambition: Giving Access for All
- Inclusive Approach
- Leveraging on Proven Fixed Income & Green Bonds expertises
- Performance with positive social contribution
- Reporting: Promote dialogue
Legal information

Amundi, Société Anonyme with a capital of €1,086,262,605 - Portfolio management company approved by the AMF n° GP 04000036 - Registered office: 90 boulevard Pasteur - 75015 Paris - France - 437 574 452 RCS Paris.

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The information contained in this document is deemed to be accurate as at 15 June 2021.