



To the General Meeting of BNP Paribas Leasing Solutions AS

Independent Auditor's Report

Opinion

We have audited the financial statements of BNP Paribas Leasing Solutions AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 15 years from the election by the general meeting of the shareholders on 4 October 2007 for the accounting year 2007.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><i>Impairment of loans and receivables to customers</i></p> <p>Loans and receivables to customers represents a considerable part of the company's total assets. The assessment of impairment losses is a model-based framework which includes elements of management judgement. The framework is complex, includes a considerable volume of data and judgemental parameters.</p> <p>We focused on this area due to the significance of the impairment considerations for the value of loans and receivables in the financial statements, and the fact that the use of judgement has a potential to affect the profit for the period. Furthermore, there is an inherent risk of errors because of the complexity and quantity of data involved in the modelling.</p> <p>The use of models to determine expected credit losses entails judgement, specifically with respect to:</p> <ul style="list-style-type: none"> • classification of the various credit portfolios by risk and asset type, • identification of impaired loans or loans presenting a significant increase in credit risk, • how the loans and receivables is sorted into stages, • the construction of parameters such as the probability of default (PD) and loss given default (LGD) and scenarios. <p>The Company's business is mainly concentrated on object financing through leasing and sales mortgage financing. In</p>	<p>Our work on impairment of loans and receivables to customers focused on understanding the internal control environment and performing tests of details with respect to the provisions estimated collectively and individually.</p> <p>We tested the controls associated with:</p> <ul style="list-style-type: none"> • the calculation and method used by Management, • the reliability of the sources of the data used in the model. <p>Our testing of internal controls did not indicate material deviations.</p> <p>We also sampled individual borrower case files to check whether they were properly classified and that any corresponding impairment losses had been duly recognised. The realization value was calculated using internal value estimates. To verify the realization value, we assessed the relevance and reasonableness of the assumptions used in the calculations. We interviewed staff and management and challenged the relevance and reasonableness of the assumptions and methodology used to calculate the expected realization value. Furthermore, we tested whether the individual impairment losses were classified correctly in the model, as well as assessing the total value of impairment losses.</p> <p>Any differences encountered as part of our detailed testing fell within a reasonable range.</p> <p>The Company's note 1.5, note 2, note 8 and note 9 to the financial statements are relevant for the description of the Company's models and processes to estimate loan-loss impairment provisions. We read the notes and found them to be adequate and give a balanced overview of the models, parameters and judgmental assumptions used.</p>



this context, the Company has developed a general risk management framework which takes into account the specific characteristics of this segment.

In addition, individual provisions are made for loans and receivables with incurred credit losses. This assessment requires judgements by management.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,



but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.



We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ålesund, 30 March 2022
PricewaterhouseCoopers AS

Nils Robert Stokke
State Authorised Public Accountant

(This document is signed electronically)

BNP Paribas Leasing Solutions AS -Auditor's report

Signers:

Name	Method	Date
Stokke, Nils Robert	BANKID_MOBILE	2022-03-30 18:31

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