



BNP PARIBAS ASSET MANAGEMENT UK LIMITED

2025 TCFD entity-level disclosures

ABOUT BNP PARIBAS ASSET MANAGEMENT UK LIMITED

BNP PARIBAS ASSET MANAGEMENT UK Limited (BNPP AM UK), is a UK investment manager authorised and regulated by the UK Financial Conduct Authority (the FCA).

BNPP AM UK is a subsidiary of BNP PARIBAS ASSET MANAGEMENT Holding (BNPP AM), the asset management business of the BNP Paribas Group. As of 31 December 2025, BNPP AM managed €734 billion in assets (assets under management). As a global asset manager, BNPP AM aims to follow the same sustainability approach across entities. Therefore, BNPP AM's sustainability related strategies, policies and approaches apply to multiple BNPP AM entities including BNPP AM UK.¹ This includes its approach relating to climate-related risks and opportunities. Accordingly, BNPP AM UK relied on climate-related financial disclosures made by BNPP AM.

As of 31 December 2025, BNPP AM UK had GBP 45 billion of assets under management (AuM).

On 1 January 2026, BNP Paribas Asset Management UK Limited entered into a business transfer agreement with AXA Investment Managers UK Limited and BNP Paribas Asset Management Services Limited. It no longer carries on regulated business and has applied to the FCA for withdrawal of its regulatory permissions.

This document applies to the eligible investment portfolios managed by BNPP AM UK in 2025 and before the transfer.

ABOUT THIS REPORT

This document is published by BNPP AM UK, in line with recommendations by the Task Force on Climate-related Financial Disclosures (TCFD), to meet the entity reporting requirements set out in Chapter 2 of the FCA's Environment, Social and Governance sourcebook.

The reference period for this document is from 1 January to 31 December 2025.

BNPP AM UK's Climate approach is consistent with that of BNPP AM and this report should be read in conjunction with BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

COMPLIANCE STATEMENT

The disclosures in this report, including any third party or group disclosures cross-referenced in it, comply with the requirements under Chapter 2 (*Disclosure of climate related financial information*) of the FCA's Environmental, Social and Governance sourcebook.

Guy Davies (Director BNPP AM UK, CIO FAE and Deputy Head of Investments BNPP AM)

¹ Certain Joint Ventures and Affiliated Entities may not apply all policies or may apply their own customised versions.





I. GOVERNANCE

BNPP AM UK's governance framework to oversee climate-related risks and opportunities BNPP AM UK leverages the internal Governance Framework, as follows:

- **Board oversight:** The BNPP AM Holding board has ultimate responsibility over climate-related risks and opportunities.
- **Incorporation of climate-related performance metrics into remuneration:** We have a Discretionary Compensation Policy where variable compensation is awarded by the management line considering collective and individual performance. Climate-related issues in particular, and sustainability-related issues in general, are addressed through dedicated mandatory objectives assigned to employees active in sustainability-related, portfolio management or analysis-related activities.
- **Assessing and managing climate-related risks and opportunities:** Our approach to managing sustainability risks, including climate, is part of our Corporate Governance Framework. Several committees are in place to oversee the integration of ESG (Environmental, Social, and corporate Governance) risks into the relevant investment process. BNPP AM's *Net Zero roadmap*² is overseen through a formal governance framework, ensuring appropriate supervision and oversight of the net-zero commitment.

BNPP AM's governance around climate-related risks and opportunities is presented in the Governance section of the BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

II. STRATEGY

BNPP AM UK's strategy to address climate-related risks and opportunities is aligned with BNPP AM's strategy:

- **Climate-related risks and opportunities the organisation has identified:** Environmental risks and, more particularly, those associated with climate change are likely to translate into financial risks for our business and our clients. But if we act now, climate change also presents substantial opportunities.
- ***Our Net Zero Roadmap*** outlines our commitments and action plan to reach net zero emissions in our in-scope portfolios by 2050 or sooner. It is our strategy for assessing and managing climate change-related risks and opportunities within our investment portfolios and operations.
- **Impact of climate-related risks and opportunities:** Climate is a key consideration in BNPP AM's product development and investment management practices. BNPP AM has developed a range of policies, procedures, methodologies and tools to help contribute towards the net-zero goal.
- **Consideration of different climate-related scenarios:** BNPP AM uses climate-related scenarios in a number of ways to support and implement its approach. For example, BNPP AM provides funding and is a strategic partner of the *Inevitable Policy Response* (IPR), an initiative which forecasts the speed and scale of the transition to net zero. IPR has developed a Forecast Policy Scenario as well as a Required Policy Scenario, which identify the incremental progress needed to move to a net-zero-aligned scenario. BNPP AM employs IPR tools, such as the Quarterly Briefing content, to educate and inspire debate among investment teams.

BNPP AM's strategy to address climate-related risks and opportunities is presented in the Strategy section of the BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

² This roadmap outlines BNPP AM's commitments and action plan to reach net zero emissions in its in-scope portfolios by 2050 or sooner. It is BNPP AM's strategy for assessing and managing climate change-related risks and opportunities within its investment portfolios and operations.



III. RISK MANAGEMENT

BNPP AM UK's identification, assessment, and management of climate-related risks is consistent with BNPP AM's approach:

- **Identifying and assessing climate-related risks:** We developed a materiality heatmap to underpin our ESG rating system. This materiality heatmap allows us to identify the sectors with the highest climate transition risks and adjust the weighting of our ESG scoring methodology accordingly to ensure risks are appropriately assessed. In addition, through our ESG rating methodology, we aim to better anticipate climate risk.
- **Managing climate-related risks:** BNPP AM's process to manage climate related risk includes:
 - o Calculating, publishing, and reducing the carbon footprint of our portfolios
 - o Progressively aligning our AuM with Net Zero
 - o Applying our Responsible Business Conduct Policy
 - o Integrating of climate factors into our ESG analysis
 - o Considering of Principal Adverse Impacts (PAIs)
 - o Integration of climate consideration in our stewardship approach
- **Integration in overall risk management:** BNPP AM's framework for the identification and review of sustainability risks, which includes climate-related risks, is part of our overall risk framework. We have defined roles and responsibilities for first and second lines of defence in the various departments involved. An action plan has been defined for each identified risk, and the assessment of sustainability risks, as well as the associated control plans, are presented at the Internal Control Committee chaired by our CEO. BNPP AM has an independent Risk department that aims to ensure centralised and cross-functional supervision of operational and investment risks, including climate change risks.

BNPP AM's approach to identifying, assessing, and managing climate risks is presented in the Risk Management section of the BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

IV. METRICS AND TARGETS

The targets and metrics to assess and manage relevant climate-related risks and opportunities are set at BNPP AM. As a subsidiary of BNPP AM, BNPP AM UK's assets are covered by these targets and metrics.

- **Metrics used:** The main metrics used to assess climate-related risks and opportunities by BNPP AM are:
 - o The carbon footprint of our investment portfolios
 - o Net zero alignment of the AuM in scope of our net zero commitment, leveraging upon our proprietary framework, largely inspired by the Paris Aligned Investment Initiative Net Zero Investment Framework. This framework is based on various sources: Transition Pathway Initiative (TPI), Science Based Targets initiative (SBTi), Climate Action 100+ and Carbon Disclosure Project (CDP).

Greenhouse gas (GHG) emissions, and the related risks disclosures: The calculation, publication and reduction target of the carbon footprint (including related disclosures) of BNPP AM's is detailed in the BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

- **Targets used:** BNPP AM's commitments are defined in its net zero roadmap to manage climate-related risks and opportunities:
 1. Reducing the carbon footprint of our in-scope investments by 30% by 2025, decreasing to 50% by 2030 for scope 1 and 2 (against a 2019 baseline).
 2. Aligning our investments with net zero, targeting 60% of in-scope investments to be in companies Achieving, Aligned or Aligning with Net Zero by 2030, growing to 100% by 2040.



3. Reducing fossil fuel exposure, including exiting coal by 2030 in European Union and OECD (Organisation for Economic Cooperation and Development) countries and by 2040 in the rest of the world.
4. Increasing investments in climate and environmentally themed solutions.
5. Engaging with our clients on their transition towards net zero investing.
6. Voting for corporate climate action and for corporates to achieve net zero emissions by 2050 or sooner.
7. Engaging with companies on net zero.
8. Advocating for net zero climate policies.
9. Reducing our operational footprint.
10. Reporting our progress to stakeholders.

BNPP AM's commitment covers EUR 351.6 billion, which represents almost half (48%) of its assets under management as at end of December 2025.

In-scope refers to Article 8 and 9 funds under the Sustainable Finance Disclosure Regulation (SFDR). The commitment also applies to funds and mandates that are managed in line with our Responsible Business Conduct policy. It does not yet include investments in securities issued by governments and agencies, derivatives and private assets. "Scope 1" refers to the direct emissions from sources that are owned or controlled by the company. "Scope 2" refers to the indirect emissions linked to the company's purchased or acquired electricity, heat, steam and cooling. "Scope 3" refers to all other indirect emissions, including those related to the use of its products. Scope 3 emissions are not included in the calculation since the measurement of these emissions is not yet standardised or considered sufficiently reliable to be used in reporting. Given the importance of Scope 3 emissions in most sectors, we are evolving our approach to calculating Scope 3 emissions with the aim of including it in our approach in the future.

These targets, metrics and associated relevant disclosures are addressed in detail in the metrics and targets section of the BNPP AM 2025 Climate reports, available here: <https://www.bnpparibas-am.com/en/what-we-do/sustainability-policies-reports/>

V. ADDITIONAL INFORMATION

Details about our methodologies, including challenges, assumptions, data considerations and estimations, as well as limitations, are provided in BNPP AM's [net zero roadmap](#) and in the BNPP AM 2025 Climate reports available [here](#) and the [along](#) with the relevant disclosures.

DISCLAIMER

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