



VOTING REPORT 2024

This report sets out how we applied our voting policy and exercised our voting rights on behalf our clients in 2024, including detailed statistics on the votes we cast.

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*BNP Paribas Asset Management is the source for all data in this document. All data is as at end-December unless otherwise specified.
The issuers named in this report are mentioned for information purposes only and should not be considered to be an investment recommendation.*



BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world

1. GOVERNANCE AND VOTING PRINCIPLES

BNP Paribas Asset Management (BNPP AM) believes that promoting the best corporate governance practices is one of our essential duties as a responsible investor. Corporate governance refers to the system by which a corporation is directed and controlled. It relates to the functioning of the managing board, supervision and control mechanisms, their interrelationships and their relations with stakeholders. Good corporate governance creates the framework that ensures that a corporation is managed in the long-term interest of shareholders. Therefore, BNPP AM expects all corporations in which we invest to comply with the highest corporate governance standards.

Voting at General meetings (GMs) on behalf of our clients is a key component of our ongoing engagement with listed public companies in which we invest and forms an integral part of our investment process. We are committed to ensuring¹ that we consistently exercise the voting rights associated with shares held in Undertakings for the Collective Investment of Transferable Securities (UCITS), Alternative Investment Funds (AIF), foreign investment funds and investment mandates, where proxy voting has been delegated to us.

Our Governance and Voting Policy explains what we expect of listed public companies and how we deliver our ownership responsibilities. The policy outlines our key governance and voting principles, describes our proxy voting process, and sets out guidelines that highlight, for each ballot item, best practices and issues that may trigger an 'oppose' or 'abstain' vote. We cast our votes according to each company's specific circumstances. This document is available on our website <https://www.bnpparibas-am.com/en/sustainability-documents/>. Moreover, we publish how we voted, by issuer and by resolution, on our website.²

2. MAIN AMENDMENTS TO OUR VOTING POLICY FOR 2024

Each year, we review our Governance & Voting Policy to adapt it to current market practices and remaining challenges in the fields of corporate governance, and environmental and social management. In 2024, our Governance and Voting Policy strengthened and reinforced our expectations in these areas, specifically by including a requirement that a measurable and quantifiable climate metric be included within executive compensation:

- From 2024: Target climate priority sectors, i.e., Energy, Utilities, Industrials, and Materials, and companies identified as the world's largest GHG emitters. (We also noted that this would apply to all sectors from 2026).

Other amendments to the voting policy:

- Provision to approve elections of directors where the CEO / Chair roles are combined - if the company has committed to split these roles
- Clarification of our guidelines on voting on Non-Financial Information Statements (i.e. specifically for Switzerland which has introduced these votes) and Say-on-Climate votes
- Further details on our approach to voting on shareholder proposals, and on management's Environmental & Social proposals in sections 4.5 and 4.6.

¹ Taking into account technical and legal considerations.

² Details of our vote available here: <https://vds.issgovernance.com/vds/#/MTc3MQ==/>

3. VOTING SCOPE FOR 2024

Each year, we monitor the total votable shares of all portfolios we manage and assess the percentage of votes exercised during the year in alignment with our Governance and Voting Policy. Our selection of which shares to vote (where we exercise voting rights) aims to concentrate our efforts on positions that are widely held across our portfolios and facilitate our participation in the shareholder meetings of companies for which our collective investment schemes hold a significant portion of the capital.

Our voting scope comprises companies for which aggregated holding positions meet at least one of the three following conditions:

- They represent 90% of the accrued total of our stock positions;
- They make up 0.1% or more of the company market capitalisation; or
- Ad-hoc demand.

In 2024, our scope included UCITS³ and mandates where voting rights have been delegated to BNPP AM, representing in total around €68 billion of assets under management. This represented nearly 43%⁴ of all meetings held by companies in our UCITS and/or mandates and 73% of ballots voted.⁵

4. VOTING STATISTICS FOR 2024

4.1 GEOGRAPHIC BREAKDOWN

During 2024, we voted at **2,063 general meetings**, primarily in Europe, reflecting the geographic distribution of our assets under management.

Year	Meetings voted	Europe	North America	APAC	Others
2024	2,063	884	535	544	100
		43%	26%	26%	5%
2023	1,931	898	540	414	79
		47%	28%	21%	4%
2022	1,976	908	526	432	110
		46%	27%	22%	6%

³ Undertakings for Collective Investment

⁴ Full voting scope represented 2,063 general meetings voted out of 4,768 possible in 2024

⁵ 18,845 ballots voted, out of 25,866 votable ballots

4.2 VOTING RESULTS

Of the total of 2,063 general meetings:

- At 301 (15%) we voted in favour of all items (vs. 14% in 2023)
- At 1,762 (85%) we voted against or abstained on at least one item (vs. 86% in 2023)

Of 27,126 resolutions voted, 26,110 resolutions were submitted by companies and 1,016 by shareholders.

Among the resolutions submitted by companies (i.e., excluding shareholder proposals):

- We voted in favour of 64% of management resolutions (16,832 resolutions)
- We opposed 36% of management proposals (we abstained on 1,011 items and voted against 8,266 items).

Over the past three years, we have maintained a high opposition rate. This is both because we set high expectations in all areas AND review every item on every agenda and make our own voting decisions – a rare practice among large asset managers.

Geographic zone	Total	Europe	North America	APAC	Others
Management Resolutions	26,110	14,581	6,190	4,375	964
Voted for	16,832	10,937	2,731	2,647	518
Voted against	8,266	2,990	3,418	1,547	518
Abstained	1,011	654	41	181	135
Total Opposition Rate (abstained or against) - 2024	36%	25%	56%	39%	46%
Total Opposition Rate (abstained or against) – 2023	36%	27%	54%	43%	46%
Total Opposition Rate (abstained or against) - 2022	33%	23%	52%	38%	53%

4.3 VOTES AGAINST AND ABSTENSIONS, BY RESOLUTION TYPE

The table below outlines percentages of votes against or on which we abstained, by category.

	Total	Board elections	Executive pay	Financial Operations	Routine Business and other ⁶	Shareholder proposals
Total voted	27,125	13,401	3,786	2,440	6,482	1,016
Voted for	17,516	8,099	1,728	1,479	5,526	684
Voted against	8,504	4,914	1,686	836	830	238
Abstained	1,105	388	372	125	126	94
Total Opposition Rate (abstained or against) - 2024	35%	40%	54%	39%	15%	33%
Total Opposition Rate (abstain or against) - 2023	36%	42%	50%	40%	16%	34%
Total Opposition Rate (abstain or against) - 2022	33%	36%	61%	38%	13%	28%

Our opposition principally related to three key topics (excluding shareholder proposals that are analysed below): executive compensation, financial operations and board elections.

EXECUTIVE COMPENSATION (54% OF OPPOSITION VS. 50% IN 2023)

Our opposition to executive compensation plans (e.g., stock-options, restricted stock plans, severance payments and “say on pay” proposals) falls into the following general categories:

- A lack of transparency on the compensation policy (volume, weight, nature of the performance criteria, targets, etc.);
- Compensation practices not in line with stakeholders’ interests, with excessive or disproportionate amounts relative to the company’s performance;
- Absent or weak Environmental, Social and Governance (ESG) performance criteria, not clearly linked to the company’s sustainability strategy;
- Absence of climate-related criterion for priority sectors;
- A “pay for failure” approach based on insufficiently challenging performance criteria; and/or
- Compensation not oriented towards rewarding good long-term performance.

FINANCIAL OPERATIONS (39% OPPOSITION VS. 40% IN 2023)

We opposed management proposals related to financial operations, which generally request a share capital increase, for the following reasons:

- The total volume was considered too significant (i.e. where authorisations exceeded 50% of the share capital); or
- A share capital authorisation was proposed without pre-emptive rights and without a specific objective (more than 5% of share capital or 20% with a specific purpose) which leads to excessive dilution for current shareholders.
- We also voted systematically against all anti-takeover devices.

⁶ Approval of accounts, appointment and remuneration of auditors, mergers and acquisitions, anti-takeover measures, etc.

BOARD ELECTIONS (40% OPPOSITION VS. 42% IN 2023)

Our votes in opposition to individual directors generally indicate our belief that there is weak corporate governance and an issue related to the balance of power. Most votes against directors fall into the following categories:

- A non-independent director where there is insufficient overall board independence;
- A lack of diversity at board;
- Directors with poor attendance or term exceeding four years.

4.4 SHAREHOLDER PROPOSALS

In 2024, we voted on 1,016 shareholder proposals worldwide ; this was up from 873 in 2023. Because these resolutions are typically proposed by groups of institutional shareholders with a strong commitment to drive better company performance on particular issues, or by stakeholders like NGOs that work with investors, they are usually opposed by management. Therefore, a vote in favour of the proposal is a vote against management's recommendation.

Our principle is to vote in favour of shareholder proposals when they are in line with the long-term interests of shareholders and the action requested is warranted given the prevailing practices of the company. However, we abstain when we support progress on the subject matter, but believe the proposal is not appropriate considering the company's specific circumstances or if the request being made is already happening in practice.

Our rate of support for shareholder proposals increased in 2024: 67% vs. 66% in 2023.

	Resolutions voted on	Voted against	Abstained	Voted for
Shareholder proposals (Global)	1,016	238 (23%)	94 (9%)	684 (67%)

Specifically, we again demonstrated very strong support for social proposals (97% in 2024 vs 95% in 2023) and for environmental proposals (85% in both 2024 and 2023)⁷.

FILING SHAREHOLDER PROPOSALS

In 2024, we submitted twelve shareholder proposals: seven in Italy on Corporate Governance and five in the United States on environmental topics.

Italy: Proposals with Assogestioni: The 'slate voting mechanism' is used to elect directors and statutory auditors of listed Italian companies, selected and proposed by shareholders, including institutional investors. Assogestioni proposed for most companies a list comprising only independent directors (usually three seats); another list is usually proposed by the largest shareholder. Most votes happen every three years and Assogestioni uses head-hunters and an independent selection process to choose candidates. We filed shareholder proposals using Assogestioni's lists in Italy through the "Voto di lista" system. In total, we participated in filing with the following seven companies to propose independent directors: Amplifon; Banca Generali; ERG; Leonardo; Prysmian; Technogym; Unicredit. At all seven companies, directors were elected from the Assogestioni list which reinforces the governance and independence of those companies.

US: Environmental proposals:

Our experience in submitting shareholder proposals in 2024 underscored a key aspect of the process - the purpose of submitting a proposal is not to win the vote, but to effect a change in corporate practice. Negotiated withdrawals of shareholder

⁷ Social and environmental related proposals based on BNPP AM classification.

proposals can be more meaningful than strong vote results because they are based on dialogue and an effort to reach agreement acceptable to both sides.

Despite our size, in the US we usually approach companies as a minority shareholder and occasionally need to use a shareholder proposal to persuade a company to respond to our requests for dialogue. This was the case in four of the five proposals we submitted for the 2024 proxy season. In these four cases, we reached agreement to withdraw those proposals, and we are now having constructive conversations with the companies.

Case study 1: Filing shareholder proposals to eliminate deforestation in the Cambodian apparel industry

In 2021, several outlets reported that Cambodia's garment sector was driving illegal deforestation by using wood to boil the water needed to wash, dye and steam-iron garments and to generate electricity for the factories, which in turn contributes to their GHG emissions. Two U.S. brands allegedly sourcing from such factories were Target Corp and VF Corp.

Our goal was to work with Target and VF to enhance systems to eliminate illegal deforestation from their Cambodian supply chains, and to address the root causes of the problem.

After outreach to the companies failed to produce satisfactory responses, we submitted shareholder proposals to both. Fruitful conversations with both companies enabled us to reach an agreement to withdraw both proposals. VF believes the wood being used by its suppliers in Cambodia today is legal plantation wood and sees no reason to believe that any comes from the forest, however VF is collaborating with GIZ, the main German Development Agency, to implement a wood traceability system at its factories to provide greater assurance. VF has joined and provided funding for a pilot project led by the GIZ to develop a wood traceability system, and upscale the use of sustainable biomass fuel for the Cambodian garment industry. The project includes nine factories, including all five VF suppliers the company identified as using wood for fuel. VF has taken two trips to Cambodia since the withdrawal of our proposal, including to a tree plantation that is in scope for the GIZ project.

They have also reviewed all their suppliers in Cambodia that are using wood as a fuel source and have surveyed all factories to know how much they use, where it is coming from, and how much they are paying for it. VF has also met with government officials, the local industry association, WWF and PEFC, a forestry certification body. The company will include a section on this work in its next Environmental and Social Responsibility report. Our proposal to Target was withdrawn in exchange for its agreement to visit selected Cambodian facilities to better understand whether they could be contributing to illegal deforestation, and to continue dialogue with us about its findings and next steps. Although Target has requested that we keep the details of our conversations confidential, we can share that we believe the company is complying with our agreement and is making meaningful progress.

Case study 2: Filing a shareholder proposal at Procter & Gamble on degradation of the Canadian Boreal region

The boreal is the world's largest intact forest system, a key carbon sink and a cradle of biodiversity. Although Canada has a good reputation for managing deforestation, which generally refers to the conversion of a forest to another use (e.g., a road or a tree plantation), concerns are increasing about boreal 'degradation', which refers to impairments to a forest's ability to continue to provide ecosystem services. Degradation of the boreal threatens iconic species, such as the woodland caribou, as well as the forest's ability to sequester carbon.

Our goal was to ensure that Procter & Gamble (P&G), which sources pulp from the boreal to produce tissue and toilet paper, is taking all necessary steps to eliminate deforestation and forest degradation from its pulp supply chain, with a focus on the Canadian Boreal region.

We began a focused dialogue with the company in the spring of 2023, largely in response to the company's decision to remove a commitment to end forest 'degradation' from its Forest Commodities Policies, without any public explanation. We ultimately joined other investors to engage with the company. Though P&G was responsive to our inquiries, we found the company's disclosures and explanations to be confusing at times and that escalation was warranted, as we were not making progress.

In April 2024, we co-filed a shareholder proposal seeking a report on how P&G's sourcing practices negatively impact the biodiversity and resilience of boreal forests, and if so, to identify and take corrective measures to address them.

We were able to negotiate a successful withdrawal of our shareholder proposal. P&G agreed to a variety of enhancements to its public reporting, which we hope will present a clearer picture of P&G's impacts to the boreal, as well as its efforts to protect it. In addition, P&G committed to invest an additional US\$20 million in R&D on alternative fibres, to decrease its dependency on the boreal. We look forward to continuing our engagement.

5. COMPANY DIALOGUE

5.1 DIALOGUE WITH ISSUERS

Our engagement with issuers is intended to enhance the long-term value of our shareholdings by encouraging corporate governance best practice, social responsibility, and environmental stewardship.

During the proxy season, we engage in dialogue with companies either on our own initiative or at the request of the issuer, and we generally concentrate on our largest holdings. The goal of these engagements is:

- To communicate our voting policy to prepare for the next general meeting in the hope that companies will better align their resolutions to our governance expectations;
- To obtain additional information on individual agenda items; and
- To express our concerns about specific resolutions that contradict the standards set out in our voting policy, implying we will not be able to support those agenda items.

5.2 EVALUATION OF OUR DIALOGUES

We consider a voting-related engagement to be successful if the company withdraws the proposal we are opposing, or if we change our vote in favour of the proposal after a modification of the resolution from the issuer, where we obtain additional information and/or the company agrees to our request(s).

Where companies do not make the changes we request during our engagement, and it does not indicate that it will consider them, we escalate our concerns by voting against selected items on the agenda, in line with our voting policy.

In addition to these engagements linked to the proxy season, we also maintain long-term dialogues with many issuers all year round, focused on a wide variety of environmental, social and governance themes. We report on these each year in our annual sustainability report.

5.3 EXAMPLES OF ENGAGEMENT

Engagement to improve governance and inform our votes

Case study 1: Proxy fight at Rubis SCA

Objective: To inform our vote at the AGM and improve governance practices.

Activity: We engaged intensively with Rubis SCA ahead of and after its AGM in the context of a proxy contest between the company and some of the company's major shareholders. While we decided to vote for the proposals supported by the board (which passed), we also raised questions around the limited powers of the Supervisory Board within a Limited Partnership Structure. Noting that the Supervisory Board's role was limited to overseeing accounts, operations, and remuneration, we used our dialogue to encourage stronger prerogatives. We stressed that, in our view, the Supervisory Board should also be consulted on the General Partners' succession plans and strategic M&A cases.

Outcomes: We were encouraged by the company's immediate response, announcing positive changes to the Internal Rules of the Board of Directors. Some aspects were clarified and formalised, such as the organisation of annual information on Managing Partners' succession planning and potential changes of control, and the duty of loyalty and collegiality from all Board members. New powers and rights were also introduced: annual presentations and discussions with the Supervisory Board about the group strategy as well as the budget and its main parameters, an opinion to be issued by the Board prior to any transaction over €100 million and any strategic transaction, Board members' entitlement to request training on any topic deemed important to their board responsibilities, and the Remuneration, Nomination and Governance Committee's review of the top management succession plan for the branch head subsidiaries and for the Group Management Committee. While there is still some way to go, these changes point in the right direction. We will continue the dialogue about potential further enhancements.

Case study 2: Audit-related topics at three Chinese companies

Objective: Engagement with three Chinese companies to share our voting rationale and examples of best practice.

Activity: Conducted calls with the three companies alongside our sector analyst. In Chinasoft and Innovent Biologics' cases, we focused on each company's issuance of equity or equity-linked securities without pre-emptive rights and specific object exceeding 5 percent. We explained our voting rationale and provided evidence of market sentiment against such general mandates. Additionally, for Innovent Biologics, we advocated for better disclosure on the proposed fees for directors and the tenure of their auditors in their meeting notice and circular.

For our call with Venustech, we went through our voting rationale for items where we intended to vote against or abstain, including a request to approve appointment of the auditor without a breakdown of fees paid, and director elections involving executives serving on the remuneration and audit committees. Additionally, we provided feedback on the level of detail we expect for the disclosure of greenhouse gas emissions given that this is the first time the company has published a sustainability report. Best practice would be to disclose the absolute amount, for each scope. Currently, Venustech has bundled Scope 1 and 2 emissions.

Outcome: We were able to change our vote to for regarding Innovent Biologics' proposals to authorize board to fix remuneration of directors, approve auditors and authorize board to fix their remuneration post our engagement. The company provided information on the proposed fees for directors and auditor tenure (under 6 years) during the meeting and was receptive towards improved disclosures going forward. We did not change our vote for Venustech Group and Chinasoft International, but we anticipate seeing implementation of our recommendations and will monitor for improvements in future AGMs for all three companies.

Case study 3: Magnitude of the CEO's long-term incentives at Palo Alto Networks

Objective: Palo Alto Networks is a leading cybersecurity firm and one of our top 50 holdings in 2024, globally. We seek to establish regular dialogue with our largest holdings, and for Palo Alto, to convey our concerns about its approach to CEO compensation.

Activity: We spoke to Palo Alto's Investor Relations team to share our concerns about the magnitude of recent equity awards to its CEO in advance of the 2024 AGM. In 2023, Palo Alto's "say on pay" proposal failed to gain a majority vote (38.5%), driven by a 'one-time' US\$113 million retention award to Nikesh Arora, making him the second-highest paid CEO tracked by Equilar.

This year, proxy advisor ISS again recommended a vote against the proposal and noted that the company has a history of failed say-on-pay votes. In response to last year's failed vote, Palo Alto made some positive changes, including a commitment not to grant the CEO additional one-time equity awards with vesting or performance metrics that would overlap with the one-time performance-based restricted stock unit retention award granted to him in June 2023. This year, however, Palo Alto sought shareholder approval for another sizable performance-based grant to Mr Arora, with a target value of US\$40 million.

We explained that we voted against their pay proposal last year and questioned why Mr Arora – who owned more than US\$600 million in Palo Alto stock at the time of the AGM – continues to be eligible for equity awards. We also raised concerns about the significant disparity between Arora’s awards and grants provided to Palo Alto’s other NEOs, as well as the CEO-to-median employee pay gap (269:1). Mr Arora’s severance and “change in control” arrangements also exceeded our voting guideline and appeared to differ significantly from the contractual arrangements for Palo Alto’s other NEOs. We also expressed our support for the separation of the roles of Chair and CEO and for declassification of the Board and were told that the board is actively discussing both issues.

Outcome: We voted against the say-on-pay proposal, which received slightly more than 50% support, a notably low vote. We look forward to continuing our discussions with Palo Alto in 2025.

Case study 4: Three examples of engagement to promote better remuneration practices

One of the most common topics we discuss with Boards is executive remuneration. While our policy is one of the most stringent among asset managers (illustrated by our 54% opposition rate on remuneration-related votes in 2024), we aim to drive improvements through our engagement. We explain our expectations to companies and share examples of best practices. Three examples of positive outcomes from our dialogue with the result on the associated votes are outlined below.

Company	Sector/ Country	Positive outcomes	Link to 2024 vote
Mediobanca SpA	Banking, Italy	<ul style="list-style-type: none"> Enhanced the peer set for the remuneration benchmark and bonus scorecard, with financial criteria more aligned with the Italian market. Harmonised the quantitative ESG targets on the percentage of SFDR article 8 and 9 funds across business segments. Transitioned from qualitative ESG modifiers to more transparent standalone criteria, raising the overall weight of ESG criteria from 10% to 25%. Raised the CEO’s shareholding requirement guidelines from 200% to 300%. 	Supported the 2025 Remuneration Policy at the October AGM.
Carrefour SA	Consumer Staples, France	<ul style="list-style-type: none"> Removal of compensation effects between performance criteria in the LTIP. Weighting of the financial KPIs in the short-term incentive plan (STIP) increased from 50 to 60%. Changes made to the CSR criteria in the LTIP to avoid using the same KPIs as the STIP. 	Supported the Remuneration Policy of Chair and CEO at the AGM in March, having voted against it the previous year.
Sopra Steria Group	ICT, France	<ul style="list-style-type: none"> CEO’s compensation report provided the target level for the climate-related criterion. Also added detailed information on the vesting scale and target attached to the LTIP granted during the year under review. Information also provided on the severance payment linked to the CEO’s employment contract. 	Shifted from an abstain vote in 2023 to a positive vote in 2024 on the compensation report of the CEO.

Engagement to inform our votes based on companies' governance of environmental and social issues

Case study: Evolution of sustainability metrics in Danone's executive incentive plans

Objective: Urge **Danone** to improve the choice and specification of sustainability metrics within remuneration plans, making a clear link to corporate strategy.

Activity: As a long-term holding, we engage with Danone multiple times each year. During our calls over the last two years we have urged the company to evolve the sustainability metrics in the remuneration policy with respect to both the short- and long-term plans by using metrics linked specifically linked to its own sustainability priorities and goals. It had historically linked the LTIP criteria to CDP scores on climate, water and forests, for example. We were pleased that the company made this move in 2023, introducing criteria into the annual bonus relating to percentage of sales covered by B-Corp certification and reduction in GHG emissions across the entire value chain (each weighted at 10%). Danone also introduced three metrics into the CEO's long-term plan, each also weighted at 10%: one relating to employee engagement levels, one related to reducing sugar levels in products intended for children and one related to GHG emissions reduction across all scope. The company continued to evolve these plans in 2024, by adding within the annual bonus a metric relating to the volume of commodities verified as deforestation and conversion-free, and another relating to reducing water consumption intensity in the long-term plan for 2024-2026, both highly relevant to a company in the food sector. (It also changed the metric relating to sugar in children's products to one relating to sugar in everyday adults' products).

Outcomes: These changes – as well as increasingly detailed transparency - meant we could continue to vote in favour of the remuneration policy at the 2024 AGM.

5.4 PROMOTION OF GOOD CORPORATE ENVIRONMENTAL AND SOCIAL DISCLOSURE

Where companies do not meet our expectations on social and environmental responsibility, as set out in our voting policy, we may oppose management resolutions seeking the approval of financial statements, discharge of the board, or (re-) election of directors (depending on the market). **In 2024, we opposed 2,240 management resolutions at 352 companies for these reasons** – a substantial increase compared to 2023 (1,521 resolutions at 271 companies).

ESG topic	No. of resolutions	% of total ⁸	No. of companies' meetings	% of companies' meetings
Climate-related expectations only	1,215	54%	192	55%
Biodiversity-related expectations only	429	19%	67	19%
Climate and biodiversity-related	146	7%	22	6%
Responsible Business Conduct Policy	44	2%	13	4%
Low ESG score	406	18%	58	16%
Total	2,240		352	

Percentage figures may not total 100% due to rounding

⁸ Figures may not sum to 100% due to rounding errors.

5.5 DRIVING GOOD GOVERNANCE PRACTICE AROUND THE WORLD

We are active members of a wide range of organisations that aim to advance good governance practice around the world:

- At the International Corporate Governance Network (ICGN), our Global Head of Stewardship was elected Vice Chair of the Board in 2024, and is Chair the Audit and Risk Committee, member of the Nomination, Governance, Policy Oversight and Global Network of Investor Associations 'GNIA' committee at the ICGN. We are also actively involved with a range of UN PRI-organized corporate engagement and public policy workstreams, an active member of steering committees for Climate Action 100+, NA100, PRI Advance, IIHC and ATNI. We are also a Global Network Initiative board member.
- In Europe, our Global Head of Stewardship chairs the 'Corporate Governance' Committee of the French Asset Management Association (AFG), is a member of the French regulator AMF commission on Sustainable Finance, the Responsible Investment commission at the French Association of Asset Managers (AFG), member of the Oversight Committee of the Best Practice Principles and member of the Eumedion Investment committee (Netherlands).
- In the United States, we are a member of Ceres and the Council of Institutional Investors (CII).
- In the Asia Pacific region, we are a member of the Asian Corporate Governance Association (ACGA) and of the ACGA's working groups for Japan and China.

These are examples of our participation to collaborative initiatives, for a full list of our memberships, see [here](#).

5.6 FOCUS ON SOLIDARITY INVESTMENTS

Through our solidarity funds, mainly funded in the framework of employee saving schemes, BNP Paribas AM invests in and supports structures with a strong social impact in France. At the end of 2024, we supported 31 non-profit organisations, companies and microfinance funds through the investment of €184 million.

We are committed to fully supporting our partners in our solidarity funds in various ways:

- **Being active shareholders:** We invest through equity positions in 19 of our partners. As shareholders, we vote each year at general meetings; this year we voted at 18. ^[1] Resolutions are analysed and a discussion with the company is held if necessary, and we have been elected to serve as members of six supervisory boards.
- **Overseeing and monitoring investees:** Part of our role includes overseeing and monitoring closely the social businesses in which we invest. We meet at least once a year face-to-face with management and make an on-site visit every two years. During our annual review, financial, governance and social issues are discussed in-detail. In 2024, we continued to closely monitor and analyse the impact of the economic situation on our partner structures and provided them with the best possible support.
- **Reporting and transparency:** We publish a [report on social performance](#) once a year, which includes social businesses' performance against a list of customised indicators as well as a complete list of solidarity partners.

^[1] BNPP AM voting policy mentioned above does not apply to solidarity investments

APPENDIX 1. STATISTICS RELATED TO THE MANAGEMENT COMPANY BNPP AM EUROPE

1. GEOGRAPHIC BREAKDOWN

In relation to the activities of Management Company BNPP-AM Europe, we voted at **864 general meetings⁹**, mainly in Europe and North America.

	Number of meetings voted	Geographic breakdown
Europe	575	67%
North America	224	26%
APAC	60	7%
Others	5	0%
Total	864	100 %

2. VOTING RESULTS

Within our voting scope, of 864 general meetings voted:

- We voted in favour of all items at 82 general meetings (9%); and
- At the remaining 782 general meetings (91%), we voted against or abstained on at least one item.

Of 13,661 resolutions voted, 13,078 resolutions were submitted by companies and 583 by shareholders:

- We voted in line with the management proposals at 68% of the resolutions; and
- We opposed the management proposals at 32% of the resolutions.

3. OTHER POINTS

Cases where the portfolio management company considered that it could not comply with the principles set out in its 'voting policy' document.

We identified no conflicts with the principles of our voting policy.

Conflicts of interest that the portfolio management company has been required to handle when exercising the voting rights attached to securities held by the AIFs that it manages.

We identified no conflicts of interest during this financial year.

⁹ 864 general meetings voted out of 1,288

APPENDIX 2: ENVIRONMENTAL AND SOCIAL PROPOSALS

We consider environmentally and socially focused proposals at AGMs to be 'significant votes'. We therefore describe our rationale for each of these votes¹⁰, in line with the Shareholder Rights Directive II. As a responsible investor, we believe that ESG issues may impact the value and reputation of entities in which we invest.

1. PROPOSALS SUBMITTED BY SHAREHOLDERS

1.1 PROPOSALS SUPPORTED BY BNPP AM

ENVIRONMENTAL PROPOSALS

In 2024, BNPP AM voted on 131 environment and climate-related proposals (from among the 1,016 in total)¹¹, including 112 proposed by shareholders and 19 submitted by management. **We supported the following 95 shareholder proposals (85%).**

ENERGY TRANSITION

CLIMATE-RELATED LOBBYING

Resolution approved

N/A indicates information not available

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Wells Fargo & Company	USA	30/04/2024	10	Report on Climate Lobbying	27.4%
Tyson Foods, Inc.	USA	08/02/2024	3	Report on Climate Lobbying	10.2%
Toyota Motor Corp.	Japan	18/06/2024	4	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement	9.2%
PACCAR Inc	USA	30/04/2024	6	Report on Climate Lobbying	28.5%
NIPPON STEEL CORP.	Japan	21/06/2024	8	Amend Articles to Report on Corporate Climate Lobbying	N/A
NextEra Energy, Inc.	USA	23/05/2024	5	Report on Climate Lobbying	32.5%
NextEra Energy, Inc.	USA	23/05/2024	5	Report on Climate Lobbying	32.5%
Meta Platforms, Inc.	USA	29/05/2024	14	Report on Framework to Assess Company Lobbying Alignment with Climate Goals	8.2%
International Business Machines Corporation	USA	30/04/2024	7	Report on Climate Lobbying	31.8%
FedEx Corporation	USA	23/09/2024	8	Report on Framework to Assess Company Lobbying Alignment with Climate Goals	20.3%
Bank of America Corporation	USA	24/04/2024	6	Report on Climate Lobbying	27.5%
American Express Company	USA	06/05/2024	6	Report on Climate Lobbying	24.4%

¹⁰ Environmental and social related proposals based on BNPP AM classification.

¹¹ Based on BNPP AM classification.

BNPP AM's Rationale:

As climate change is a systemic risk, we will need a strong public policy response. We therefore support shareholder proposals that align with the Investor Expectations on Corporate Climate Lobbying, which we co-developed in 2018. This includes ensuring that direct and indirect lobbying efforts support the goals of the Paris Agreement. We and other investors will benefit from the requested information/action because it will help to mitigate a key systemic risk while enabling us to better assess the company's climate and ESG performance, and to make better informed investment decisions.

APPROVE, ADOPT OR REPORT ON CLIMATE TRANSITION PLAN (SAY ON CLIMATE VOTE) AND/OR ASSOCIATED SCENARIOS, ANALYSIS OF IMPACTS

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
The Toronto-Dominion Bank	Canada	18/04/2024	10	SP 5: Advisory Vote on Environmental Policies	17.9%
The Bank of Nova Scotia	Canada	09/04/2024	6	SP 3: Advisory Vote on Environmental Policies	12.9%
Sumitomo Mitsui Financial Group, Inc.	Japan	27/06/2024	5	Amend Articles to Add Provision on Assessment of Clients' Climate Change Transition Plans	24.2%
Saputo Inc.	Canada	09/08/2024	4	SP 1: Advisory Vote on Environmental Policies	6.3%
Royal Bank of Canada	Canada	11/04/2024	7	SP 7: Advisory Vote on Environmental Policies	15.1%
Power Corporation of Canada	Canada	09/05/2024	8	SP 5: Advisory Vote on Environmental Policies	4.7%
National Bank of Canada	Canada	19/04/2024	7.2	SP 2: Advisory Vote on Environmental Policies	17.5%
Mizuho Financial Group, Inc.	Japan	26/06/2024	3	Amend Articles to Add Provision on Assessment of Clients' Climate Change Transition Plans	22.0%
Mitsubishi UFJ Financial Group, Inc.	Japan	27/06/2024	4	Amend Articles to Add Provision on Assessment of Clients' Climate Change Transition Plans	18.4%
Lennar Corporation	USA	10/04/2024	7	Report on Climate Change	20.7%
iA Financial Corporation Inc.	Canada	09/05/2024	7	SP 4: Advisory Vote on Environmental Policies	20.3%
General Motors Company	USA	04/06/2024	7	Report on Sustainability Risk in the Company's Supply Chain	13.6%
Canadian Imperial Bank of Commerce	Canada	04/04/2024	7	SP 4: Advisory Vote on Environmental Policy	14.2%
BlackRock, Inc.	USA	15/05/2024	7	Report on Proxy Voting Record and Policies for Climate Change-Related Proposals	8.1%
Bank of Montreal	Canada	16/04/2024	6	SP 3: Advisory Vote on Environmental Policies	15.3%
APA Group	Australia	24/10/2024	7c	Approve Climate Risk Safeguarding	N/A
ANZ Group Holdings Limited	Australia	19/12/2024	6	Approve Transition Plan Assessments	N/A
Alimentation Couche-Tard Inc.	Canada	05/09/2024	7	SP 4: Advisory Vote on Environmental Policies	17.0%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on climate change, a systemic risk to our portfolios. The information/ action requested aligns because it requests a high GHG-emitting (or financing) company to develop and submit to a vote their transition plans and/or reports charting their progress in implementing those plans, and to provide sufficient detail about the scenarios and assumptions used, and on the analysis of their impacts on climate change. We and other investors will benefit from the requested information/action because it enables us to better assess the company's delivery of emissions reductions in line with the Paris agreement and to make better informed investment decisions.

GHG EMISSIONS DISCLOSURE OR TARGET SETTING

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Yara International ASA	Norway	28/05/2024	13	Guide the company to set science-based goals to cut scope 3 emissions in line with limiting global warming to 1.5 Degrees	7.5%
The Travelers Companies, Inc.	USA	15/05/2024	4	Report on Methane Emissions	15.4%
The Travelers Companies, Inc.	USA	15/05/2024	5	Report on GHG Emissions Associated with Underwriting and Insuring for High Carbon Sectors	15.3%
The Toronto-Dominion Bank	Canada	18/04/2024	7	SP 2: Disclose Transition Activities Towards 2030 Emission Reduction Targets	28.6%
The Goldman Sachs Group, Inc.	USA	24/04/2024	8	Report on Clean Energy Supply Financing Ratio	28.5%
Swedbank AB	Sweden	26/03/2024	24	Adopt Company Strategy Aligned with the Paris Agreement Goal	N/A
Skyworks Solutions, Inc.	USA	14/05/2024	11	Adopt GHG Emissions Reduction Targets and Climate Transition Plan Aligned with the Paris Agreement Goal	30.7%
Skandinaviska Enskilda Banken AB	Sweden	19/03/2024	23	Instruct Board of Directors to Revise SEB Overall Strategy to be in Line with the Paris Agreement Goals	N/A
Shell Plc	United Kingdom	21/05/2024	23	Advise Shell to Align its Medium-Term Emissions Reduction Targets Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement	18.6%
Royal Bank of Canada	Canada	11/04/2024	1	SP 1: Disclose Clean Energy to Fossil Fuel Financing Ratios	N/A
Ross Stores, Inc.	USA	22/05/2024	4	Disclose All Material Value Chain GHG Emissions	25.9%
Quest Diagnostics Incorporated	USA	16/05/2024	5	Adopt Near and Long-Term Science-Based GHG Emissions Reduction Targets Aligned with Paris Agreement Goal	41.9%
Power Corporation of Canada	Canada	09/05/2024	4	SP 1: Disclose the Corporation's Scope 1-3 Financed Emissions Annually	7.3%
Old Dominion Freight Line, Inc.	USA	15/05/2024	5	Adopt GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	24.4%
NIPPON STEEL CORP.	Japan	21/06/2024	6	Amend Articles to Set and Disclose Greenhouse Gas Emission Reduction Targets Aligned with Goals of Paris Agreement	N/A
Morgan Stanley	USA	23/05/2024	7	Report on Clean Energy Supply Financing Ratio	22.5%
Markel Group Inc.	USA	22/05/2024	5	Disclose GHG Emissions from Underwriting, Insuring, and Investing	37.9%
Knight-Swift Transportation Holdings Inc.	USA	14/05/2024	4	Report on Efforts to Reduce GHG Emissions in Alignment with Paris Agreement Goal	12.5%
Kinder Morgan, Inc.	USA	08/05/2024	5	Disclose GHG Emissions Reductions Targets	31.3%
Jack in the Box Inc.	USA	01/03/2024	4	Disclose GHG Emissions Reductions Targets	55.0%
International Business Machines Corporation	USA	30/04/2024	8	Adopt Science-Based GHG Emissions Targets Including for Value Chain Emissions	30.8%
Huntington Ingalls Industries, Inc.	USA	01/05/2024	5	Publish Climate Transition Plan and Science-Based GHG Reduction Targets	28.1%
Expeditors International of Washington, Inc.	USA	07/05/2024	6	Adopt GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	22.5%
Equinor ASA	Norway	14/05/2024	15	Update the Company Strategy and Capital Expenditure Plan According to the Commitment to the Goals of the Paris Agreement	6.5%
Enbridge Inc.	Canada	08/05/2024	5	SP 2: Disclose the Company's Scope 3 Emissions	27.6%
Darden Restaurants, Inc.	USA	18/09/2024	8	Report on Efforts to Reduce GHG Emissions in Alignment with Paris Agreement Goal	20.8%
Constellation Brands, Inc.	USA	17/07/2024	5	Report on Efforts to Reduce GHG Emissions in Alignment with Paris Agreement Goals	26.6%
Cintas Corporation	USA	29/10/2024	6	Report on Efforts to Reduce GHG Emissions in Alignment with Paris Agreement Goal	26.0%
Chubb Limited	Switzerland	16/05/2024	15	Report on GHG Emissions Associated with Underwriting	28.3%
CenterPoint Energy, Inc.	USA	26/04/2024	4	Adopt GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	12.5%
Centene Corporation	USA	14/05/2024	4	Adopt Near and Long-Term Science-Based GHG Emissions Reduction Targets Aligned with Paris Agreement Goal	36.1%
Capital One Financial Corporation	USA	02/05/2024	5	Adopt GHG Emissions Reduction Targets Associated with Lending and Investment Activities	10.1%
Berkshire Hathaway Inc.	USA	04/05/2024	3	Disclose BHE's Emissions and Progress Towards Goal in Consolidated Report	17.7%
Berkshire Hathaway Inc.	USA	04/05/2024	2	Report on Efforts to Measure, Disclose and Reduce GHG Emissions Associated with Underwriting, Insuring, and Investing	21.0%
Bank of America Corporation	USA	24/04/2024	7	Report on Clean Energy Supply Financing Ratio	26.0%
Amazon.com, Inc.	USA	22/05/2024	13	Disclose All Material Scope 3 GHG Emissions	15.2%
Alimentation Couche-Tard Inc.	Canada	05/09/2024	8	SP 5: Disclose Decarbonization Action Plan	6.4%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on climate change, a systemic risk to our portfolios. The information /action requested aligns by asking the company to set GHG emissions reduction targets in line with the goals of the Paris agreement. We and other investors will benefit from the requested information/action because it enables us to better assess the company's delivery of emissions reductions in line with the Paris agreement and its ESG performance, and to make better informed investment decisions.

JUST TRANSITION

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Republic Services, Inc.	USA	23/05/2024	4	Report on "Just Transition"	15.1%
The Kroger Co.	USA	27/06/2024	7	Report on "Just Transition"	17.7%
FedEx Corporation	USA	23/09/2024	6	Report on "Just Transition"	22.3%

BNPP AM's Rationale

We support resolutions that allow us to evaluate how certain industries are managing workforce and community disruptions that may be associated with their decarbonisation plans. A just transition helps to ensure that the necessary shift to a low carbon economy is managed with minimal impacts to society, reducing the systemic risks of climate change and inequality. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance and to make better informed investment decisions.

OTHER - CLIMATE CHANGE

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Sumitomo Mitsui Financial Group, Inc.	Japan	27/06/2024	4	Amend Articles to Add Provision on Director Competencies to Manage Climate-Related Business Risks and Opportunities	26.3%
Mizuho Financial Group, Inc.	Japan	26/06/2024	2	Amend Articles to Add Provision on Director Competencies to Manage Climate-Related Business Risks and Opportunities	25.0%
Mitsubishi UFJ Financial Group, Inc.	Japan	27/06/2024	3	Amend Articles to Add Provision on Director Competencies to Manage Climate-Related Business Risks and Opportunities	25.8%
H&M Hennes & Mauritz AB	Sweden	03/05/2024	17	Approve Zero Tolerance of Clothes as Waste in 2025	N/A
Equinor ASA	Norway	14/05/2024	11	Adopt Future Strategy taking into Consideration the Suffering and Death Caused by Global Warming; Strengthen and Implement the Energy Transition Plan	0.6%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on climate change, a systemic risk to our portfolios. The information /action requested aligns with our commitments and expectations of companies to address their climate-related impacts and risks. We and other investors will benefit from the requested information/action because it enables us to better assess the company's climate and ESG performance, and to make better informed investment decisions.

HEALTHY ECOSYSTEMS

PLASTIC

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Tyson Foods, Inc.	USA	08/02/2024	6	Report on Opportunities to Support Circular Economy for Packaging	4.0%
The Kraft Heinz Company	USA	02/05/2024	4	Report on Recyclability Claims	20.6%
The Hershey Company	USA	06/05/2024	5	Report on Support for a Circular Economy for Packaging	5.5%
Restaurant Brands International Inc.	Canada	06/06/2024	10	Report on Efforts to Reduce Plastic Use	27.3%
Phillips 66	USA	15/05/2024	4	Report on Impacts of a Significant Reduction in Virgin Plastic Demand	11.6%
Keurig Dr Pepper Inc.	USA	10/06/2024	4	Report on Efforts to Reduce Plastic Use	8.9%
General Mills, Inc.	USA	24/09/2024	5	Report on Efforts to Reduce Plastic Use	40.1%
Exxon Mobil Corporation	USA	29/05/2024	6	Report on Reduced Plastics Demand Impact on Financial Assumptions	20.8%
Dow Inc.	USA	11/04/2024	5	Commission Audited Report on Reduced Plastics Demand	26.3%
Constellation Brands, Inc.	USA	17/07/2024	6	Report on Support for a Circular Economy for Packaging	24.4%
Chevron Corporation	USA	29/05/2024	5	Report on Reduced Plastics Demand Impact on Financial Assumptions	7.5%
Amazon.com, Inc.	USA	22/05/2024	11	Report on Efforts to Reduce Plastic Use	28.6%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on environmental sustainability. BNPP AM has a long-standing commitment on reducing plastic pollution, having endorsed the New Plastics Economy Global Commitment, the EPR Statement for packaging Extended Producer Responsibility and the revised business statement calling for a Global Treaty on Plastic Pollution. Plastic pollution is a global problem and generates significant negative impacts on our environment, society and economies. Our support for these requests for additional information on plastic pollution and how companies intend to reduce their contributions to this global problem aligns with our commitments to tackle climate change and biodiversity loss. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance, including management of financially material risks and to make better informed investment decisions.

WATER

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Restaurant Brands International Inc.	Canada	06/06/2024	6	Report on Supply Chain Water Risk Exposure	28.7%
Constellation Brands, Inc.	USA	17/07/2024	4	Report on Supply Chain Water Risk Exposure	34.8%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on environmental sustainability and associated risks. The information/action requested is aligned because it asks the company to report on each company's exposure to supply chain water risks, which may be financially material to these companies. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance and to make better informed investment decisions.

ENVIRONMENTAL AND COMMUNITY IMPACT

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Verizon Communications Inc.	USA	09/05/2024	9	Report on Lead-Sheathed Cables	12.8%
Tyson Foods, Inc.	USA	08/02/2024	5	Accelerate Efforts to Eliminate Deforestation from Company's Supply Chains	13.3%
The Home Depot, Inc.	USA	16/05/2024	8	Disclose a Biodiversity Impact and Dependency Assessment	14.6%
The Goldman Sachs Group, Inc.	USA	24/04/2024	7	Issue Environmental Justice Report	3.3%
Tesla, Inc.	USA	13/06/2024	12	Commit to a Moratorium on Sourcing Minerals from Deep Sea Mining	16.1%
PepsiCo, Inc.	USA	01/05/2024	9	Report on Risks Related to Biodiversity and Nature Loss	10.0%
NIKE, Inc.	USA	10/09/2024	7	Report on Environmental Targets	7.5%
General Motors Company	USA	04/06/2024	6	Report on the Company's Use of Deep-Sea Mined Minerals in its Production and Supply Chains	18.4%
General Mills, Inc.	USA	24/09/2024	4	Disclose Regenerative Agriculture Practices Within Supply Chain	26.7%
Ford Motor Company	USA	09/05/2024	7	Report on Sustainable Sourcing Policies	12.5%

BNPP AM's Rationale

We support resolutions that align with our commitments and expectations of companies on environmental sustainability and impact on communities. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance and management of related financially material risks and to make associated better informed investment decisions.

SOCIAL PROPOSALS

EQUALITY

In 2024, BNPP AM voted on 120 social proposals¹², all proposed by shareholders. Of these, **we supported the following 116 proposals (97%)**. In this section, we provide a commentary on our rationale for supporting them. In a later section, we explain why we abstained or voted against others.

GENDER, EQUALITY AND LABOR ISSUES

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
A. O. Smith Corporation	USA	09/04/2024	4	Report on Company's Hiring Practices with Respect to Formerly Incarcerated People	6.8%
Adobe Inc.	USA	17/04/2024	6	Report on Hiring of Persons with Arrest or Incarceration Records	13.9%
Berkshire Hathaway Inc.	USA	04/05/2024	4	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	20.5%
Campbell Soup Company	USA	19/11/2024	5	Publish Results of Independent Audit Assessing Effectiveness of Company's Diversity, Equity and Inclusion Efforts	7.3%
Chipotle Mexican Grill, Inc.	USA	06/06/2024	9	Report on Harassment and Discrimination Statistics	16.5%
Cintas Corporation	USA	29/10/2024	5	Report on Effectiveness of Diversity, Equity and Inclusion Efforts and Metrics	25.5%
Danaher Corporation	USA	07/05/2024	5	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	14.0%
Dell Technologies Inc.	USA	27/06/2024	5	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	2.9%
Dick's Sporting Goods, Inc.	USA	12/06/2024	4	Adopt a Policy to Annually Disclose EEO-1 Report	11.7%
Docusign, Inc.	USA	29/05/2024	4	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	36.2%
Eli Lilly and Company	USA	06/05/2024	7	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	23.8%

¹² Based on BNPP AM classification.

Expeditors International of Washington, Inc.	USA	07/05/2024	5	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	35.7%
IDEX Corporation	USA	07/05/2024	5	Report on Company's Hiring Practices with Respect to Formerly Incarcerated People	16.2%
International Paper Company	USA	13/05/2024	6	Report on the Company's LGBTQ+ Equity and Inclusion Efforts	21.2%
Lennar Corporation	USA	10/04/2024	6	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	16.8%
NextEra Energy, Inc.	USA	23/05/2024	4	Disclose Board Skills and Diversity Matrix	40.6%
NVR, Inc.	USA	07/05/2024	4	Report on Effectiveness of Diversity, Equity and Inclusion Efforts and Metrics	30.9%
Restaurant Brands International Inc.	Canada	06/06/2024	5	Report on Board Oversight of Diversity	N/A
Tesla, Inc.	USA	13/06/2024	8	Report on Harassment and Discrimination Prevention Efforts	30.9%
The Goldman Sachs Group, Inc.	USA	24/04/2024	6	Report on Efforts to Prevent Discrimination	15.0%
United Parcel Service, Inc.	USA	02/05/2024	6	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	22.3%
Wells Fargo & Company	USA	30/04/2024	6	Report on Prevention of Workplace Harassment and Discrimination	28.2%

BNPP AM's Rationale

BNPP AM is committed to the notion that a workplace free from discrimination with equal opportunities for all is a more productive and innovative workplace. We support proposals to promote equality, through wage equality, professional promotion, training, skills development and other issues. We also support efforts to promote diversity among professional roles and improve the representation of women on Boards, to realise shared governance and ensure that key decision-makers are selected based on merit. We and other investors will benefit from the requested information and actions to enable us to better assess the company's ESG performance and management of associated risks and to make better informed investment decisions.

HUMAN RIGHTS IN THE SUPPLY CHAIN AND AMONG LOCAL COMMUNITIES AND INDIGENOUS PEOPLE

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
A.P. Moller-Maersk A/S	Denmark	14/03/2024	8.5	Report on Efforts and Risks Related to Human Rights	N/A
A.P. Moller-Maersk A/S	Denmark	14/03/2024	8.6	Approve Enforcement of the Supplier Code of Conduct	N/A
Alphabet Inc.	USA	07/06/2024	13	Publish Human Rights Risk Assessment on the AI-Driven Targeted Ad Policies	18.5%
Amazon.com, Inc.	USA	22/05/2024	6	Report on Customer Due Diligence	16.8%
Amazon.com, Inc.	USA	22/05/2024	12	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining	31.8%
Amazon.com, Inc.	USA	22/05/2024	14	Commission Third Party Study and Report on Risks Associated with Use of Rekognition	19.1%
Chevron Corporation	USA	29/05/2024	6	Commission Third Party Assessment on Company's Human Rights Policies	22.2%
Chipotle Mexican Grill, Inc.	USA	06/06/2024	7	Adopt Policy to Not Interfere with Freedom of Association Rights	9.9%
Citigroup Inc.	USA	30/04/2024	6	Report on Respecting Indigenous Peoples' Rights	26.0%
CVS Health Corporation	USA	16/05/2024	5	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights	23.4%
Delta Air Lines, Inc.	USA	20/06/2024	5	Adopt Policy to Not Interfere with Freedom of Association Rights	25.2%
DSV A/S	Denmark	14/03/2024	8.4	Report on Efforts and Risks Related to Human and Labor Rights	98.6%
Eli Lilly and Company	USA	06/05/2024	9	Adopt a Comprehensive Human Rights Policy	10.0%
General Motors Company	USA	04/06/2024	4	Report on the Use of Child Labor in Connection with Electric Vehicles	12.6%
Gildan Activewear Inc.	Canada	28/05/2024	4	Report on Human Rights Risk Infrastructure	13.5%

International Flavors & Fragrances Inc.	USA	01/05/2024	5	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights	16.9%
JPMorgan Chase & Co.	USA	21/05/2024	7	Report on Respecting Indigenous Peoples' Rights	30.4%
Marriott International, Inc.	USA	10/05/2024	4	Report on Third-Party Racial Equity Audit	11.0%
Meta Platforms, Inc.	USA	29/05/2024	10	Report on Human Rights Impact Assessment of Targeted Advertising	14.5%
MetLife, Inc.	USA	18/06/2024	5	Conduct and Report a Third-Party Racial Equity Audit	16.5%
Mondelez International, Inc.	USA	22/05/2024	7	Report on Targets to Eradicate Child Labor in Cocoa Supply Chain	22.4%
NIKE, Inc.	USA	10/09/2024	5	Report on Effectiveness of Supply Chain Management on Equity Goals and Human Rights Commitments	13.2%
PepsiCo, Inc.	USA	01/05/2024	10	Report on Third-Party Racial Equity Audit	20.0%
TC Energy Corporation	Canada	04/06/2024	6	SP 1: Disclosure of Board's Independent Assessment From Failing to Obtain Free, Prior, and Informed Consent of TC Energy's Projects.	9.0%
Tesla, Inc.	USA	13/06/2024	9	Adopt a Non-Interference Policy Respecting Freedom of Association	20.0%
The PNC Financial Services Group, Inc.	USA	24/04/2024	5	Report on Risk Management and Implementation of Human Rights Statement	9.9%
The TJX Companies, Inc.	USA	04/06/2024	4	Report on Effectiveness of Social Compliance Efforts in Supply Chain	19.0%
The Travelers Companies, Inc.	USA	15/05/2024	6	Report on Human Rights Risk in Underwriting	15.4%
Tyson Foods, Inc.	USA	08/02/2024	4	Commission Third-Party Audit Assessing Use of Child Labor in Company's Value Chain	12.1%
Walmart Inc.	USA	05/06/2024	5	Conduct and Report a Third-Party Racial Equity Audit	15.4%
Walmart Inc.	USA	05/06/2024	6	Publish Human Rights Risk Assessment on the Impacts of Walmart's Supply Chain	11.5%
Wells Fargo & Company	USA	30/04/2024	7	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights	30.2%
Wells Fargo & Company	USA	30/04/2024	8	Report on Respecting Indigenous Peoples' Rights	23.9%

BNPP AM's Rationale

BNPP AM has committed to respect and promote human rights. We consider the potential human rights impact of the activities carried out by the companies we invest in and encourage companies to set up the necessary policies and procedures to avoid these serious impacts, which may present a range of legal, operational and reputational risks to companies, while impairing the growth of local economies. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance and management of associated risks and to make better informed investment decisions.

REMUNERATION-RELATED PROPOSALS

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Amazon.com, Inc.	USA	22/05/2024	8	Report on Median and Adjusted Gender/Racial Pay Gaps	29.4%
American Tower Corporation	USA	22/05/2024	5	Report on Median and Adjusted Gender/Racial Pay Gaps	49.2%
Apple Inc.	USA	28/02/2024	6	Report on Median Gender/Racial Pay Gap	31.1%
Applied Materials, Inc.	USA	07/03/2024	5	Report on Median and Adjusted Gender/Racial Pay Gaps	21.1%
Bank of America Corporation	USA	24/04/2024	10	Improve Executive Compensation Program and Policy	7.1%
Chubb Limited	Switzerland	16/05/2024	16	Report on Median Gender/Racial Pay Gap	26.6%
Cummins Inc.	USA	14/05/2024	15	Disclose Plan to Link Executive Compensation to GHG Emissions Reduction Goals	16.5%
DexCom, Inc.	USA	22/05/2024	4	Report on Median Gender/Racial Pay Gap	35.9%
Exxon Mobil Corporation	USA	29/05/2024	5	Report on Median Gender/Racial Pay Gaps	20.0%
Intuitive Surgical, Inc.	USA	25/04/2024	6	Report on Gender/Racial Pay Gap	32.9%
Kellanova	USA	26/04/2024	6	Report on Median Gender/Racial Pay Gap	20.4%
Marriott International, Inc.	USA	10/05/2024	5	Report on Pay Equity	19.9%
NIKE, Inc.	USA	10/09/2024	4	Report on Median Gender/Racial Pay Gaps	26.0%

Nippon Steel Corp.	Japan	21/06/2024	7	Amend Articles to Introduce Executive Compensation System Linked to Greenhouse Gas Emission Reduction Target and Disclose How Compensation Policy Contributes to Achievement of the Target	N/A
Tenet Healthcare Corporation	USA	22/05/2024	5	Report on Integrating ESG Metrics into Executive Compensation Program	5.3%
Tesla, Inc.	USA	13/06/2024	11	Assess Feasibility of Including Sustainability as a Performance Measure for Senior Executive Compensation	9.9%
The Charles Schwab Corporation	USA	23/05/2024	6	Report on Median Gender/Racial Pay Gaps	23.1%
The Goldman Sachs Group, Inc.	USA	24/04/2024	11	Report on Pay Equity	29.8%
The Procter & Gamble Company	USA	08/10/2024	4	Report on Median Gender/Racial Pay Gap	30.1%
The Travelers Companies, Inc.	USA	15/05/2024	7	Consider Pay Disparity Between CEO and Other Employees	9.8%
Vertex Pharmaceuticals Incorporated	USA	15/05/2024	5	Report on Median and Adjusted Gender/Racial Pay Gaps	28.8%

BNPP AM's Rationale

BNPP AM supports proposals designed to ensure greater pay equity across race and gender. We and other investors will benefit from the requested information/action because it enables us to better assess the company's ESG performance and associated risks and to make better informed investment decisions.

1.2 PROPOSALS WE VOTED AGAINST

We voted against seven environmental proposals and two social proposals¹³.

Environmental proposals

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Woolworths Group Limited	Australia	31/10/2024	6c	Approve Farmed Salmon Sourcing	N/A
Coles Group Limited	Australia	12/11/2024	7.3	Approve Contingent Resolution - Farmed Salmon Sourcing	N/A
Danske Bank A/S	Denmark	21/03/2024	12.b1	Streamlining Climate Policy and Approach to Fossil Companies	N/A
Danske Bank A/S	Denmark	21/03/2024	12.b2	Exclusion of Shares in Companies within Exploration and Production of Oil and Gas	N/A
Equinor ASA	Norway	14/05/2024	8	Eliminate Management Bonuses, Pensions and Severance Pay; Ban Use of Fiberglass Rotor Blades in New Wind Farms, Commit to Buy into Existing Hydropower Projects and Conduct Research on Other Energy Sources	0.1%
Equinor ASA	Norway	14/05/2024	9	Approve Divestment from All International Operations	0.2%
Equinor ASA	Norway	14/05/2024	10	Resignation of Board of Directors for a New Board of Directors with Better Sustainability Expertise and Higher Ambitions	0.1%

BNPP AM's Rationale

Woolworths Group Limited: The request of the shareholder proponents that the company cease procuring farmed salmon from Macquarie Harbour in Tasmania by no later than 30 April 2025 appeared to be excessively onerous and to potentially impact the company's supply chain of farmed seafood and its financial performance and shareholder outcomes. In addition, a Federal Government review of marine farming in Macquarie Harbour is underway by the Department of Climate Change, Energy, the Environment and Water, with an outcome expected later this year.

Coles Group Limited: The request of the shareholder proponents that the company cease procuring farmed salmon from Macquarie Harbour in Tasmania by no later than 30 April 2025 appeared to be excessively onerous and to potentially impact

¹³ Based on BNPP AM classification.

the company's supply chain of farmed seafood and its financial performance and shareholder outcomes. In addition, a Federal Government review of marine farming in Macquarie Harbour is underway by the Department of Climate Change, Energy, the Environment and Water, with an outcome expected later this year. The company is also aware of the concerns relating to the Maugean skate and has been steadily reducing the volume of salmon sourced from Macquarie Harbour, with plans to continue this transition in the coming year.

Danske Bank A/S (two items): While we acknowledge the importance of aligning financial activities with the objectives of the Paris Agreement, the proposals ask for a complete exclusion of O&G investments through credit and shareholdings notwithstanding the difficulty of such a full exclusion for the asset management business which needs to maintain flexibility in its application of the Net Zero strategy to differentiate between actors with credible transition plans and those without. Moreover, Danske Bank just announced a comprehensive strategy to implement Net Zero in its asset management business, providing additional assurance about its ambition.

Equinor ASA:

8 - The complete ban of management variable compensation was not considered to be in the best interests of the company or its shareholders. Rather, we favour variable of executive compensation based on performance conditions.

9 – The proposal to divest all international activities, starting with renewable energy, was not considered to be in the best interests of the company or its shareholders. We favour the development of the renewable energy sector.

10 - The proponents asked the full board to resign but did not propose any substitutes; Norwegian law does not allow a listed company without board directors. Although the proponents claimed that the current board has insufficient sustainability expertise and ambition, there is a Sustainability Committee. We prefer to consider sanctions on each individual director rather than asking them all to resign.

Social proposals

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
HSBC Holdings Plc	United Kingdom	03/05/2024	17	Instruct the Board to Align Pension Inequality with their Commitment to Reduce the Gender Pay Gap, by Removing the Impact of State Deduction from the Members of the Post 1974 Midland Section of the HSBC Bank (UK) Pension Scheme	4.2%
The Toronto-Dominion Bank	Canada	18/04/2024	14	SP 9: Provide All Employees the Same Amount of Benefit Credits	0.8%

HSBC Holdings Plc: As last year and previous years (this proposal is presented for the fifth year in a row), we decide to vote against this item. The phrasing of the proposal had evolved and referred in 2024 to a gender pay gap, which seemed misleading. This is a specific and complex issue, and the impact of this practice may have affected single scheme members differently. However, retrospective action by the company on a single scheme may potentially open it up to similar claims and be discriminatory. Thus, we did not believe the proposal warranted support.

The Toronto-Dominion Bank: The proposal appeared to be based on a misreading of the law and TD's policies, and to be overly prescriptive. TD provided additional credits to employees with dependents, recognizing their higher healthcare costs.

1.3 PROPOSALS ON WHICH WE ABSTAINED

We abstained on ten environmental proposals and on only one social proposal.

Environmental proposals

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
National Australia Bank Limited	Australia	18/12/2024	5b	Approve Transition Plan Assessments	N/A
Westpac Banking Corporation	Australia	13/12/2024	6b	Approve Transition Plan Assessments	N/A
Enbridge Inc.	Canada	08/05/2024	4	SP 1: Report on Governance Systems in Light of Climate and Environmental Misrepresentations	3.2%
Nordea Bank Abp	Finland	21/03/2024	24	Approve Business Activities in Line with the Paris Agreement	3.7%
Equinor ASA	Norway	14/05/2024	12	Make Arrangements to Become a Leading Producer of Renewable Energy, Stop Plans for Electrification of Melkoya and Present a Plan Enabling Norway to Become Net-Zero By 2050	0.7%
Alphabet Inc.	USA	07/06/2024	7	Report on Climate Risk in Retirement Plan Options	3.7%
Intuit Inc.	USA	18/01/2024	6	Report on Climate Risk in Retirement Plan Options	13.2%
Oracle Corporation	USA	14/11/2024	4	Report on Climate Risk in Retirement Plan Options	5.1%
Palo Alto Networks, Inc.	USA	10/12/2024	6	Report on Climate Risk in Retirement Plan Options	12.0%
Starbucks Corporation	USA	13/03/2024	4	Report on Plant-Based Milk Pricing	5.3%

Social proposal

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	% of votes For
Ford Motor Company	USA	09/05/2024	6	Report on Reliance on Child Labor in Supply Chain	5.6%

BNPP AM's rationales:

National Australia Bank Limited: The company has made improvements and has now set a goal to reduce thermal coal mining exposures by 50% by 2026, reducing them to effectively zero by 2030. Additionally, starting from 1 October 2025, if a customer does not have a Customer Transition Plan in place, or is unable to demonstrate progress beyond an overall rating of “Limited”, the company will not provide new or renewed corporate, project, or trade finance facilities or facilitate capital markets activities.

Westpac Banking Corporation: The company responded to the request in the proposal by directing the proponents to existing, relevant information in the 2024 Climate Report. It had reduced its exposure to several fossil fuel sectors, showing progress against its targets.

Enbridge Inc.: The matter was already under investigation by the relevant authorities. In its disclosure documents, Enbridge outlined the principles governing its behavior and standards of conduct, and disclosed an oversight structure for adherence to these principles. The proponent's request that the company produce a report examining how its governance systems are functioning in light of the alleged claims is vague and does not address how Enbridge produces the report. In addition, the matters referenced in the proponent's statements are more effectively dealt with by the relevant authorities.

Nordea Bank ABP: While we acknowledge the necessity to align the bank's financing with the objectives of the Paris Agreement, we believe the approach to implementation should be at the company's discretion, in terms of the exclusion of project and corporate financing, whereas the phrasing and inscription into the by-laws of this proposal would likely remove any flexibility.

Equinor ASA: While we agree with the spirit of the proposal, which was to encourage the gradual decrease of exploration and production of fossil fuels, and increase renewable energy, we could not fully support the mandatory nature of proposal as we believe decisions around the selection and management of specific projects is the responsibility of management.

Alphabet Inc, Intuit Inc., Oracle Corporation, Palo Alto Networks, Inc.: The board and the retirement plan's fiduciary have conflicting legal duties and objectives. It is not appropriate for the board to exercise oversight of employee retirement plans that are managed by an independent fiduciary. As we support the inclusion of climate risk in retirement plans, we abstained rather than voted against.

Starbucks Corporation: We support the underlying intent to incentivize a shift to plant-based milk. However, the company notes that the pricing of plant-based milk depends on several factors, including market conditions. We believe the company provides sufficient disclosure for shareholders to evaluate its pricing of plant-based milk alternatives.

Ford Motor Company: This proposal, which asked Ford to report on the “*extent to which its business plans with respect to electric vehicles and their charging stations may in practice involve, rely or depend on child labor outside the United States*” was submitted by an organisation that has been very public in its opposition to corporate sustainability efforts. Although we strongly support greater transparency on supply chain human rights impacts, including child labour, this proposal appeared to be designed to discourage Ford from pursuing Electric Vehicles (EVs). Ford also appears to have robust systems and reporting in place to address human rights in its supply chain. We therefore abstained as we support greater human rights reporting but could not endorse the proponent’s opposition to EVs.

2. PROPOSALS SUBMITTED BY COMPANIES: SAY-ON-CLIMATE PROPOSALS

Say-on-Climate proposals are resolutions placed on general meeting agendas by companies. The purpose is to enable shareholders to vote on the company’s climate policy and ensure a continuous dialogue on environmental and climate-related issues.

BNPP AM has developed assessment criteria¹⁴ to guide its voting decisions on this type of resolution within the Governance and Voting policy. The number of climate-related management proposals fell again in 2024; we voted on 19 Say-on-Climate proposals that fell within our voting scope during the year vs. 22 in 2023, reflecting a global downtrend since the historically high level of 2022 (40 proposals).

Concomitantly, BNPP AM saw its opposition rate¹⁵ decrease slightly, from 55% in 2023 to 53% in 2024. In addition to remaining largely concentrated in Europe (84%, with UK and France still leading the way) and otherwise split between Canada and Australia, most of these votes were at companies that had submitted a Say-on-Climate proposal previously. We continued to pay particular attention to the way we voted on these items, to ensure we maintained pressure for more ambitious plans. Overall, the climate plans we voted on in 2024 looked better than the previous year, although improvements can still be made to many. Our abstention rate dropped compared to last year, showing a bigger gap between companies in terms of climate plans. The proportion of votes “for” and “against” consequently increased, especially our votes “against”, which increased from 23% to 32% of our votes in 2024.

¹⁴ We assess each proposal qualitatively to determine its level of ambition, the climate strategy’s alignment with the objective to achieve net-zero GHG emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degree Celsius, the current climate trajectory of the company, and its performance against comparable peers.

¹⁵ Votes abstain and against.

2.1 FOCUS ON OUR 'VOTES FOR'

We voted in favour of nine Say-on-Climate proposals in 2024. They met the expectations set out in our voting policy:

- Disclosure of relevant GHG emissions linked to its activities (scopes 1, 2, and 3 as appropriate) in absolute terms;
- Ambition to achieve net-zero GHG emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5-degree Celsius;
- Short- and medium-targets to achieve net-zero GHG emissions by 2050 or sooner that address, by priority, the most relevant scope of emissions;
- Task Force on Climate-Related Financial Disclosures (TCFD) aligned reporting;
- Better relative performance and climate trajectory than comparable peers.

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	Dissent level
EDP-Energias de Portugal SA	Portugal	10/04/2024	1.3	Approve Progress Report on 2030 Climate Change Plan	N/A
Icade SA	France	19/04/2024	23	Approve Report on Progress of Company's Biodiversity Preservation Plan	1.3%
Canadian Pacific Kansas City Limited	Canada	24/04/2024	3	Management Advisory Vote on Climate Change	10,7%
Canadian National Railway Company	Canada	26/04/2024	6	Management Advisory Vote on Climate Change	2.5%
GEA Group AG	Germany	30/04/2024	9	Approve Climate Roadmap 2040	1.6%
Unilever Plc	United Kingdom	01/05/2024	4	Approve Climate Transition Action Plan	2.4%
Aviva Plc	United Kingdom	02/05/2024	4	Approve Climate-Related Financial Disclosure	2.5%
Holcim Ltd.	Switzerland	08/05/2024	1.4	Approve Climate Report	4.9%
TotalEnergies SE	France	24/05/2024	14	Approve Report on Progress of Company's Sustainability and Climate Transition Plan (Advisory)	20.3%

Examples of BNPP AM rationales:

Icade SA (Real Estate): The company's climate transition plan mostly aligned with the expectations of our voting policy and stood out compared to its peers in the Real Estate industry. Indeed, the company has set a Net Zero Ambition by 2050 covering scopes 1, 2 and 3, following a Science Based Targets Initiative (SBTi) 1.5°C trajectory, discloses its GHG emissions in absolute terms on all scopes, and releases a TCFD-aligned reporting. Its targets are validated by SBTi against a 1.5°C trajectory for both 2030 (-55% for scopes 1 and 2 and -27.5% for scope 3) and 2050 (-90% all emissions vs 2019).

Unilever Plc (Consumer Staples): The company's climate transition plan aligned with the expectations of our voting policy. It has set a Net Zero Ambition by 2039, through which a large proportion of its material Scope 3 GHG emissions is covered. It has made a public commitment to use climate advocacy to address policy barriers that hinder its ability to address the remaining Scope 3 GHG emissions.

TotalEnergies SE (Energy): The company's climate transition plan mostly aligned with the expectations of our voting policy and stood out compared to its peers in the Oil & Gas industry. The company made several improvements since last year and seems on track to meet its targets by 2025 and 2030. It confirmed the consistency of its climate commitments in a context of peers' backtracking as well as its positive relative positioning including in Europe. Gaps remain to ensure full alignment with a 1.5°C trajectory and should be further monitored.

2.2 FOCUS ON 'ABSTAIN' VOTES

We abstained on climate-related management proposals at four companies.

The Say-on-Climate proposals on which we abstained generally included some of the positive features listed above (see the section 2.1 Focus on 'Votes For') while lacking others. Abstaining on such proposals is a way for BNPP AM to acknowledge that the company's climate plan is heading in the right direction while pointing out features that are still missing. This choice was also guided by the consideration of relative performance against peers, in terms of climate trajectory but also additional

factors deemed material for the business (e.g., development of renewable energy capacities in the Utilities sectors) or public announcements made by the company regarding upcoming improvements to its climate plan, including the adoption of new GHG emissions reduction targets.

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	Dissent level
Aena S.M.E. SA	Spain	18/04/2024	9	Advisory Vote on Company's 2023 Updated Report on Climate Action Plan	3.9%
Amundi SA	France	24/05/2024	24	Approve Report on Progress of Company's Sustainability and Climate Transition Plan (Advisory)	3.3%
National Grid Plc	United Kingdom	10/07/2024	17	Approve Climate Transition Plan	1.1%
SSE Plc	United Kingdom	18/07/2024	18	Approve Net Zero Transition Report	1.8%

Examples of BNPP AM's rationale:

National Grid Plc (Utilities): We abstained rather than voting against this plan, given the progress the company has made since our last vote in 2022 on key elements of its climate strategy. This includes: the revision of intermediary reduction targets to allow the SBTi certification of Scopes 1 and 2 targets based on a 1.5-degree Celsius scenario; a Scope 3 target based on a Well-Below 2 degrees Celsius scenario, and; the introduction of a reduction target on electricity sold. However, we could not support the plan as the company has not yet set short-term targets (for 2030) and its overall alignment with a 1.5-degree Celsius scenario remains uncertain.

SSE Plc (Utilities): We abstained rather than voting against this item, given the positive relative positioning of the company within its sector, including in Europe, and the fact that all of its 2030 reduction targets are certified against a 1.5-degree Celsius scenario. However, it has not substantially improved its climate strategy over time and still lacks short-term reduction targets, especially for Scope 3, which represents a significant portion of emissions; these are only subject to a 2034 horizon target.

2.3 FOCUS ON VOTES AGAINST

We voted against climate-related management proposals at 6 companies.

In 2024, our votes against climate plans were because they lacked essential features we require, as listed in our voting policy. These include plans not including a commitment to achieve net-zero GHG emissions by 2050 or sooner, or where they do, the ambition not covering all GHG emissions directly or indirectly generated by a company's activities. In some cases, climate plans lacked intermediary reduction targets, expressed in absolute terms, covering all scopes of emissions and different time horizons.

As last year, we were particularly attentive to plans lacking Scope 3 GHG emissions disclosure and/or reduction targets at companies operating in high impact sectors and/or where scope 3 represent the biggest source of GHG emissions.

Company Name	Country	Meeting Date	Proposal Number	Proposal Text	Dissent level
Empiric Student Property PLC	United Kingdom	22/05/2024	14	Approve the Company's Future ESG Commitments	25.2%
Ferrovial SE	Netherlands	11/04/2024	3	Approve Climate Strategy Report	6.8%
Gecina SA	France	25/04/2024	16	Approve Company's Ambition to Reduce Greenhouse Gas Emissions from its Operating Buildings (Advisory)	6.1%
Repsol SA	Spain	09/05/2024	10	Advisory Vote on the Company's Energy Transition Strategy	30.3%
Shell Plc	United Kingdom	21/05/2024	22	Approve the Shell Energy Transition Strategy	22%
Woodside Energy Group Ltd.	Australia	24/04/2024	6	Approve Climate Transition Action Plan and 2023 Progress Report	58.4%

Example of BNPP AM rationale:

Shell Plc (Energy): We voted against this climate transition plan because it did not align with our expectations set out in our voting policy. Further, the company backtracked on its 2030 and 2035 Net Carbon Intensity (NCI) targets in March 2024. This decision was of particular concern given the company's sector. It also has not set a stand-alone Scope 3 GHG emissions reduction target in absolute terms. The new ambition on Scope 3 'use of oil products sold' by 2030 (excluding Liquefied Natural Gas - LNG) was not deemed sufficient to counter the downgrade of the NCI reduction targets. In addition, the company still lacks short-term absolute reduction targets that include Scopes 1, 2 and 3, and the NCI reduction proposed heavily relies on the use of carbon credits.

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