

SFDR Principal Adverse Sustainability Impacts Statement

BNP Paribas Asset Management Germany GmbH

[LEI: 2138008Q2ZUL58MR3R34]



Summary

BNP Paribas Asset Management Germany GmbH (ex- AXA Investment Managers Deutschland GmbH [LEI: 2138008Q2ZUL58MR3R34] (hereafter “BNPP AM Germany”) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of BNPP AM Germany¹.

This 2025 statement on principal adverse impacts (PAIs) on sustainability factors covers the reference period from 1 January 2025 to 31 December 2025. The PAI comparison figures cover the reference periods from 1 January 2022 to 31 December 2022, from 1 January 2023 to 31 December 2023 and from 1 January 2024 to 31 December 2024.

As described in this statement, BNPP AM Germany considers and discloses the following PAI:

ESG thematic	PAI indicator
Indicators applicable to investee companies	
Greenhouse gas emissions	1. GHG emissions
	2. Carbon footprint
	3. GHG intensity of investee companies
	4. Exposure to companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production
	6. Energy consumption intensity per high impact climate sector
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas
Water	8. Emissions to water
Waste	9. Hazardous waste and radioactive waste ratio
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap
	13. Board gender diversity
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
Indicators applicable to investments in sovereigns and supranationals	
Environmental	15. GHG intensity
Social	16. Investee countries subject to social violations
Indicators applicable to investments in real estate assets	
Fossil fuels	17. Exposure to fossil fuels through real estate assets

¹ As at end of 2025, BNPP AM Germany managed c. €60bn of assets, and c. €62.2bn as at end of 2024, c. €61.7bn as at end of 2023 and c. €62.3bn as at end of 2022. This only includes investment management services, including investment management by delegation (i.e., excluding advisory, execution and other accounting and/or administration services).



Energy efficiency	18. Exposure to energy-inefficient real estate assets
Additional climate and other environment-related indicators	
Water, waste and material emissions	6. Water usage and recycling
Greenhouse gas emissions	18. GHG emissions
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters	
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies

Zusammenfassung

BNPP Paribas Asset Management Germany GmbH (ex-AXA Investment Managers Deutschland GmbH) [LEI: 2138008Q2ZUL58MR3R34] (nachstehend "BNPP AM Germany") berücksichtigt die wichtigsten nachteiligen Auswirkungen ihrer Anlageentscheidungen auf Nachhaltigkeitsfaktoren. Die vorliegende Erklärung ist die konsolidierte Erklärung zu den wichtigsten negativen Auswirkungen auf Nachhaltigkeitsfaktoren der BNPP AM Germany².

Diese Erklärung von 2025 zu den wichtigsten nachteiligen Auswirkungen auf die Nachhaltigkeitsfaktoren bezieht sich auf den Bezugszeitraum vom 1. Januar 2025 bis zum 31. Dezember 2025. Die für die Vorjahre gemeldeten PAIs decken die Bezugszeiträume vom 1. Januar 2022 bis 31. Dezember 2022, vom 1. Januar 2023 bis 31. Dezember 2023, und vom 1. Januar 2024 bis 31. Dezember 2024 ab.

Wie in dieser Erklärung beschrieben, betrachtet BNPP AM Germany die folgenden PAI und legt sie offen:

ESG-Themenbereich	PAI-Indikator
Indikatoren für Investitionen in Unternehmen, in die investiert wird	
Treibhausgasemissionen	1. THG-Emissionen
	2. CO2-Fußabdruck
	3. THG-Emissionsintensität der Unternehmen, in die investiert wird
	4. Engagement in Unternehmen, die im Bereich der fossilen Brennstoffe tätig sind
	5. Anteil des Energieverbrauchs und der Energieerzeugung aus nicht erneuerbaren Energiequellen
	6. Intensität des Energieverbrauchs nach klimaintensiven Sektoren
Biodiversität	7. Tätigkeiten, die sich nachteilig auf Gebiete mit schutzbedürftiger Biodiversität auswirken
Wasser	8. Emissionen in Wasser
Abfall	9. Anteil gefährlicher und radioaktiver Abfälle
Soziales und Beschäftigung	10. Verstöße gegen die UNGC-Grundsätze und gegen die Leitsätze der Organisation für wirtschaftliche Zusammenarbeit und Entwicklung (OECD) für multinationale Unternehmen

² Ende 2025 verwaltet BNPP AM Germany ein Vermögen von ca. 60 Mrd. Euro, Ende 2024 von ca. 62,2 Mrd. Euro, Ende 2023 von ca. 61,7 Mrd. Euro, und Ende 2022 von ca. 62,3 Mrd. Euro. Hierzu zählen nur Dienstleistungen im Bereich der Anlageverwaltung, einschließlich der Anlageverwaltung durch Delegation (d. h. ohne Beratungs-, Ausführungs- und andere Buchhaltungs- und/oder Verwaltungsdienstleistungen).

	11. Fehlende Prozesse und Compliance-Mechanismen zur Überwachung der Einhaltung der UNGC-Grundsätze und der OECD-Leitsätze für multinationale Unternehmen
	12. Unbereinigtes geschlechtsspezifisches Verdienstgefälle
	13. Geschlechtervielfalt in den Leitungs- und Kontrollorganen
	14. Engagement in umstrittenen Waffen (Antipersonenminen, Streumunition, chemische und biologische Waffen)
Indikatoren für Investitionen in Staaten und supranationale Organisationen	
Umwelt	15. THG-Emissionsintensität
Soziales	16. Länder, in die investiert wird, die gegen soziale Bestimmungen verstoßen
Indikatoren für Investitionen in Immobilienwerte	
Fossile Brennstoffe	17. Engagement in fossilen Brennstoffen durch die Investition in Immobilien
Energieeffizienz	18. Engagement in Immobilien mit schlechter Energieeffizienz
Zusätzliche Klimaindikatoren und andere umweltbezogene Indikatoren	
Wasser, Abfall und Materialemissionen	6. Wasserverbrauch und Recycling
Treibhausgasemissionen	18. THG-Emissionen
Zusätzliche Indikatoren für die Bereiche Soziales und Beschäftigung, Achtung der Menschenrechte und Bekämpfung von Korruption und Bestechung	
Bekämpfung von Korruption und Bestechung	15. Fehlende Maßnahmen zur Bekämpfung von Korruption und Bestechung

Description of the principal adverse impacts on sustainability factors

Methodological approach³⁴

Figures disclosed in this report can either be based on the “**current value of all investments**” as defined by the Regulation, or on “**eligible assets with available data only**” where relevant. For the purpose of this report, “eligible assets with available data only” refers to all investments (*i.e.*, investee companies, or sovereign and supranational, or real estate assets, depending on the PAI), excluding derivatives, cash and cash equivalent and eligible assets without available data. “Eligible assets without available data” refers to assets that have insufficient data and/or low data quality for a specific investment. The attention of the recipient is drawn to the fact that for some specific PAIs (*i.e.*, PAIs which are relative i) to investee companies’ revenue or ii) to non-monetary units), the calculation is rebased on eligible assets with available data only for data quality and comparability purposes.

³ In 2024, as for the 2023 PAI Statement, the methodological approach has been partially reviewed for some PAI (and since then) compared to the one used as for the 2022 PAI Statement.

⁴ AXA IM also released a document described our approach and internal processes to ensure robust data quality & controls with regards to PAI indicators disclosed in entity-level PAI Statements and product-level periodic disclosures.

Such exclusion is reflected and disclosed through the coverage ratios for the relevant indicators (disclosed in the column “Explanation” in the table below): The coverage disclosed in this report reflects the proportion of eligible assets for which data is available and provided in this report; in addition, to ensure full transparency on the scope of assets where PAIs are disclosed, the coverage based on the current value of all investments is disclosed for all PAIs.

For real estate assets specifically, indicators apply to all standing real estate assets owned during the full year of reporting (*i.e.*, excluding (i) irrelevant assets (parking, land, cellars, etc.), (ii) assets under development and (iii) assets managed by third-party asset managers).

Reported PAI indicators based on the current value of all investments	Reported PAI indicators based on eligible assets, excluding eligible assets with no available data ⁵
Mandatory PAIs 2, 4, 7, 8, 9, 10, 11, 14, 17 and 18, and additional social PAI 15	Mandatory PAIs 3, 5, 6, 12, 13 and 15, and additional environmental PAI 6

More details on our methodologies to account and disclose PAIs are available in AXA IM ESG Methodologies Handbook available on BNPP AM website: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

Data sources

For PAI computation, we rely on S&P Global Trucost for traditional asset classes (*i.e.*, fixed income and listed equity), on FinDox for leveraged loans, on S&P Global Trucost, MSCI Carbon Delta, and Bloomberg for other alternative credit asset classes (*e.g.*, asset-backed securities, insurance-linked securities, and RegCap), and on Iceberg Data Lab for real estate assets – unless specified differently in the column “Explanation”.

Governance validation process

This statement has been reviewed and validated under BNPP AM Sustainability Governance process, effective since January 2026, and shared with BNPP AM Management Board and with the Executive Management of BNPP AM Germany in June 2026. BNPP AM Sustainability Governance structure, as being the top-level ESG-related governance structure within BNPP AM (incl. legacy AXA IM activities), is embedded within BNP Paribas Asset Management Germany’s strategy and local governance and applicable for all BNP Paribas Asset Management Germany’s in-scope business for this statement.

PAIs from 2022 to 2025

To report on margin of errors within the methodologies, we report in the present statement the data coverage for each PAI, with subsequent explanations regarding data quality in footnotes when relevant.

⁵ Mandatory PAIs 1 and 16 and additional environmental PAI 18 are not based neither on any of these two approaches as being PAIs in absolute values (also relative to the number of invested countries as for the mandatory PAI 16), *i.e.*, having no denominator in their formula.

Indicators applicable to investments in investee companies⁶

Adverse sustainability indicator	Metric	Impact [2025] ⁷	Impact [2024] ⁸	Impact [2023] ⁹	Impact [2022] ¹⁰	Explanation	Actions taken, and actions planned and targets set for the next reference period	
Climate and other environment-related indicators								
Climate & energy	1. GHG emissions	Scope 1 GHG emissions (tCO ₂ eq)	496 928	521 356	587 610	687 205	<u>Data coverage (based on all investments in investee companies)¹¹</u> : 86% <u>Data coverage (based on all investments)¹²</u> : 41%	AXA IM had been committed to achieving net zero emissions across our portfolios by 2050 or sooner, as well as playing a key role in helping our clients better understand climate change and how it may impact their portfolios and supporting them in adapting their investment decisions accordingly. AXA IM published its first Net Zero target in October 2021, as part of the Net Zero Asset Managers initiative (NZAMI), committing to apply net zero approaches on 15% of its AUMs. This target was subsequently revised in April 2022, to cover 69% of the total AXA IM AuM as at end of 2025. Accordingly, we had developed a net zero framework on applied to traditional asset classes and real estate assets which follows industry standards considering internal and external information to determine the net zero profile of companies. In 2026, new net
		Scope 2 GHG emissions (tCO ₂ eq)	150 288	162 317	188 321	202 451	<u>Data coverage (based on all investments in investee companies)</u> : 86% <u>Data coverage (based on all investments)</u> : 41%	
		Scope 3 GHG emissions (tCO ₂ eq)	6 877 125	6 094 286	5 940 816	6 534 497	<u>Data coverage (based on all investments in investee companies)</u> : 79% <u>Data coverage (based on all investments)</u> : 38%	
		Total GHG emissions (tCO ₂ eq)	7 499 037	6 760 724	6 675 068	7 380 054	<u>Data coverage (based on all investments in investee companies)</u> : 79% <u>Data coverage (based on all investments)</u> : 38% The reported coverage accounts for assets reporting on both Scope 1 + 2 + 3 separately (not only on any of the 3 scopes).	
	2. Carbon footprint	Carbon footprint (tCO ₂ eq/€M invested)	126	108	111	128	<u>Data coverage (based on all investments in investee companies)</u> : 79% <u>Data coverage (based on all investments)</u> : 38%	

⁶ Please note that these indicators only apply to corporate assets, representing 48% (c. €28bn) of the AuM managed by BNPP AM Germany as at end of 2025 (44% from AXA IM Core (listed equity & fixed income), 4% from AXA IM Alts (alternative credit, natural capital & impact)), 45% (c. 28bn) as at end of 2024 (41% from AXA IM Core, 5% from AXA IM Alts), 45% (c. €28bn) as at end of 2023 (41% from AXA IM Core, 4% from AXA IM Alts) and 48% (€27.7bn) as at end of 2022 (43% from AXA IM Core, 5% from AXA IM Alts).

⁷ Average of impacts taken as at 31 March, 30 June, 30 September and 31 December 2025.

⁸ Average of impacts taken as at 31 March, 30 June, 30 September and 31 December 2024.

⁹ Average of impacts taken as at 31 March, 30 June, 30 September and 31 December 2023.

¹⁰ Impacts as at 31 December 2022. For reporting on calendar year 2022, BNPP AM Germany is not in position to report average of impacts for 31 March, 30 June, 30 September, and 31 December 2022.

¹¹ The data coverage on eligible assets disclosed in this report reflects the proportion of eligible assets for which data is available and provided in this report as for 2025 impacts, as an average taken as at 31 March, 30 June, 30 September and 31 December 2025. Eligible assets refer to all investments in the relevant asset class (*i.e.*, total investee companies, or total sovereign and supranational assets, or total real estate assets, depending on the PAI). This applies to all disclosed PAIs.

¹² The data coverage on total investments disclosed in this report reflects the proportion of total AuM managed by AXA Investment Mangers Paris for which data is available and provided in this report as for 2025 impacts, as an average taken as at 31 March, 30 June, 30 September and 31 December 2025. Therefore, this data coverage is not supposed to reach 100% in the mid nor long term. This applies to all disclosed PAIs.



							Reported impacts should be viewed in the context of a comprehensive coverage of Scope 3 emissions (both on upstream and on downstream GHG emissions, and across all Scope 3 categories), as reported on PAI1.	zero targets will be set on the new BNPP AM scope and will remain aligned with the NZAMi commitment and the NZIF framework.
3. GHG intensity of investee companies	GHG intensity of investee companies (tCO ₂ eq/€M of investee companies' revenue)	1 811	1 038	1 159	1 223		Data coverage (based on all investments in investee companies): 79% Data coverage (based on all investments): 38%	Overall, for all traditional asset classes, AXA IM monitors on an annual basis at minimum the GHG emissions of its worldwide holdings, as well as a selection of other climate-related indicators depending on the asset class.
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (%)	2.08	2.10	2.21	2.44		Data coverage (based on all investments in investee companies): 86% Data coverage (based on all investments): 41%	Over the years, we also had implemented: - exclusion criteria on the energy sector as part of AXA IM Climate Risks policy; - specific engagement on climate transition; - specific low-carbon, carbon transition and carbon offset strategies at fund-level.
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)	48.70	53.09	59.49	64.44		Data coverage (based on all investments in investee companies): 82% Data coverage (based on all investments): 39%	
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/€M)	A: n/a B: 0.77 C: 0.34 D: 2.25 E: 0.74 F: 0.23 G: 0.18 H: 0.58 L: 0.22	A: 0.19 B: 0.87 C: 0.58 D: 2.36 E: 0.84 F: 0.47 G: 0.14 H: 1.18 L: 0.19	A: 0.35 B: 0.80 C: 0.47 D: 3.85 E: 1.43 F: 0.23 G: 0.17 H: 0.93 L: 0.18	A: 0.10 B: 1.03 C: 0.62 D: 4.34 E: 1.84 F: 0.26 G: 0.15 H: 0.97 L: 0.16		Data coverage (based on all investments in investee companies)¹³: - Sector A: 0% - Sector B: 0% - Sector C: 12% - Sector D: 3% - Sector E: 1% - Sector F: 1% - Sector G: 2% - Sector H: 2% - Sector L: 1% Data coverage (based on all investments): 11% (cross-sectoral)	

¹³ Reported data coverage for each sector are based of the total investments in investee companies from all invested sectors (and not for each sector).



Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas (%)	8.15	7.53	2.75	1.08	<p>Data coverage (based on all investments in investee companies): 77%</p> <p>Data coverage (based on all investments): 37%</p> <p>Reported impacts are still pending methodological harmonization across third-party data providers as current methodologies to account for PAI7 vary depending on the providers. Therefore, and as our coverage on this PAI is currently very low, reported impacts on PAI7 should be regarded cautiously.</p>	AXA IM have strengthened its strategy to better integrate the challenges relating to biodiversity protection in our investment process, fundamental research and our engagement strategy. Over the past years, we had reported on our biodiversity footprint which represents an aggregation of various PAI, i.e., the pressures on ecosystems generated by human activities, among them: water and air pollution; land artificialization, exploitation and pollution; and climate change.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (t/€M)	0.020	0.004	0.005	0.006	<p>Data coverage (based on all investments in investee companies): 32%</p> <p>Data coverage (based on all investments): 15%</p> <p>Reported impacts are still pending methodological harmonization across third-party data providers as current methodologies to account for PAI 8 vary depending on the providers.</p>	In the past years, we also had implemented: - exclusion criteria on sector related to deforestation as part of AXA IM Ecosystem protection & Deforestation policy; - specific engagement on biodiversity; - specific biodiversity, plastic & waste transition at fund-level.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average (t/€M)	2.91	1.39	1.25	0.81	<p>Data coverage (based on all investments in investee companies): 46%</p> <p>Data coverage (based on all investments): 22%</p> <p>Reported impacts are still pending methodological harmonization across third-party data providers as current methodologies to account for PAI 9 vary depending on the providers.</p>	
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters								
Social and employee matters	10. Violations of United Nations Global Compact (UNGC) principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.21	0.04	0.07	0.02	<p>Data coverage (based on all investments in investee companies): 95%</p> <p>Data coverage (based on all investments): 45%</p> <p>Reported data are based on data provided by Sustainalytics as for companies assessed as being “non-compliant” with the UNGC, OECD guidelines for MNE, ILO Conventions or UNGP for Business and Human Rights, completed by internal AXA IM assessment which applies to all BNPP AM Germany assets when they are AXA IM legacy assets (and until end of 2026): as part for AXA IM ESG Standards policy, AXA IM may override Sustainalytics’ assessment regarding violations of</p>	As part of AXA IM ESG Standards policy ¹⁴ , since 2021, we avoid investing in companies which cause, contribute or are linked to violations of international norms and standards in a material manner, focusing in particular on UN’s Global Compact Principles, International Labor Organization’s (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

¹⁴ AXA IM ESG Standards policy apply to i) all AXA IM ESG and Responsible Investment (RI) open-ended funds, which include all funds classified as Art.8 or Art.9 under SFDR and ii) on an opt-in basis, any other dedicated fund and mandate under AXA IM management.



							international norms and standards, based on a qualitative analysis.	
	11. Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	8.66	8.76	9.64	10.52	<p><u>Data coverage (based on all investments in investee companies): 73%</u></p> <p><u>Data coverage (based on all investments): 35%</u></p>	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies (average gross hourly earnings between women and men expressed as men to women pay ratio)	13.20	14.78	15.10	15.07	<p><u>Data coverage (based on all investments in investee companies): 79%</u></p> <p><u>Data coverage (based on all investments): 38%</u></p>	AXA IM had included gender diversity criteria in its voting policy since 2020. In line with the French Rixain Law, we had committed to improving the representation of women among those making investment decisions.
	13. Board gender diversity	Average ratio of female board members in investee companies, expressed as a percentage of all board members (%)	33.78	38.07	37.69	36.82	<p><u>Data coverage (based on all investments in investee companies): 76%</u></p> <p><u>Data coverage (based on all investments): 36%</u></p>	As part of AXA IM engagement strategy, from 2021 to 2025, AXA IM had deployed a systemic voting criterion linked with board gender diversity: a 33% diversity target for OECD countries, and with targeted companies in emerging markets on gender diversity issues.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (%)	0.00	0.00	0.00	0.00	<p><u>Data coverage (based on all investments in investee companies): 99%</u></p> <p><u>Data coverage (based on all investments): 47%</u></p> <p>Reported data and coverage are not based on data provided by third parties but rather on the implementation of AXA IM Controversial weapons policy which applies to all BNPP AM Germany assets when they are AXA IM legacy assets (and until end of 2026).</p>	As part of AXA IM Controversial weapons policy, we avoid investing in controversial weapons regulated by international conventions, i.e., anti-personnel landmines, cluster munitions, chemical, biological and nuclear weapons.



Indicators applicable to investments in sovereigns and supranationals ¹⁵								
Adverse sustainability indicator		Metric	Impact [2025]	Impact [2024]	Impact [2023]	Impact [2022]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity ¹⁶	GHG intensity of investee countries (tCO ₂ e/€M)	341	401	425	448	<p><u>Data coverage (based on all investments in sovereigns and supranationals):</u> 81%</p> <p><u>Data coverage (based on all investments):</u> 22%</p> <p>Both territorial and imports emissions are included.</p>	<p>AXA IM had defined a specific climate target for sovereign assets, following the Net Zero Investment Framework (NZIF) target setting guidance and the guidance by UN-led ASCOR project, which consists in beating our main global benchmark on the GermanWatch's Climate Change Performance Index (CCPI) weighted average score.</p> <p>Engagement with policymakers and industry groups had also been a key part of AXA IM active ownership and stewardship strategy.</p>
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, UN principles and, where applicable, national law	0 country; 0.00% of all investee countries	0 country; 0.00% of all investee countries	1 country; 0.82% of all investee countries	1 country; 0.84% of all investee countries	<p><u>Data coverage (based on all investments in sovereigns and supranationals):</u> 81%</p> <p><u>Data coverage (based on all investments):</u> 22%</p>	<p>As part of AXA IM ESG standards policy, we avoid investing in countries with severe human rights violations.</p>

¹⁵ Please note that these indicators only apply to sovereign and supranationals assets, representing 27% (c. €16bn) of the AuM managed by BNPP AM Germany as at end of 2025, 37% (c. €23bn) as at end of 2024, 36% (c. €22.4bn) as at end of 2023 and 36% (c. €21bn) as at end of 2022. Subnational assets (i.e., regional, municipal and other local authorities' bonds) and other assimilated sovereign assets such as public-owned companies are accounted in reported indicators applicable to investments in investee companies.

¹⁶ Investee countries' GHG intensity is computed based on countries' growth domestic product (GDP) and not purchasing power parities (PPP) adjusted GDP.

Indicators applicable to investments in real estate assets¹⁷

Adverse sustainability indicator		Metric	Impact [2025]	Impact [2024]	Impact [2023]	Impact [2022]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels (%)	0.00	0.00	0.00	0.00	<u>Data coverage (based on all investments in real estate assets):</u> 95% <u>Data coverage (based on all investments):</u> 14%	Same as PAI 1 to 6
	Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets (%)	29.58	39.23	28.09	37.52	

Other indicators for principal adverse impacts on sustainability factors
Additional climate and other environment-related indicators

Adverse sustainability indicator		Metric	Impact [2025]	Impact [2024]	Impact [2023]	Impact [2022]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Water, waste and material emissions	6. Water usage and recycling ¹⁸	1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenue of investee companies (m ³ /€M)	5 376	3 650	5 585	5 367	<u>Data coverage (based on all investments in investee companies):</u> 78% <u>Data coverage (based on all investments):</u> 37%	Water consumption & stress is a key pillar of the ESG scoring methodology used for traditional asset classes.
	Greenhouse gas emissions	18. GHG emissions (kgCO ₂ eq) ^{19 20}	Scope 1 GHG emissions generated by real estate assets (tCO ₂ eq)	1 700	2 246	2 361	1 553	<u>Data coverage (based on all investments in real estate assets):</u> 85% <u>Data coverage (based on all investments):</u> 13%

¹⁷ Please note that these indicators only apply to real estate assets, representing 15% (c. €9bn) of the AuM managed by BNPP AM Germany as at end of 2025, 14% (c. €9bn) as at end of 2024, 16% (c. €10bn) as at end of 2023 and 16% (c. €9bn) as at end of 2022.

¹⁸ Please note that this indicator only apply to listed corporate assets, representing representing 48% (c. €28bn) of the AuM managed by BNPP AM Germany as at end of 2025 (44% from AXA IM Core (listed equity & fixed income), 4% from AXA IM Alts (alternative credit, natural capital & impact)), 45% (c. 28bn) as at end of 2024 (41% from AXA IM Core, 5% from AXA IM Alts), 45% (c. €28bn) as at end of 2023 (41% from AXA IM Core, 4% from AXA IM Alts) and 48% (€27.7bn) as at end of 2022 (43% from AXA IM Core, 5% from AXA IM Alts).

¹⁹ Please note that these indicators only apply to real estate assets, representing 15% (c. €9bn) of the AuM managed by BNPP AM Germany as at end of 2025, 14% (c. €9bn) as at end of 2024, 16% (c. €10bn) as at end of 2023 and 16% (c. €9bn) as at end of 2022.

²⁰ 2025 GhG emissions (scope 1, 2, 3 and Total GhG emissions) coverages have been adjusted to consider GhG emissions at 0 as valid and not missing data. Therefore, the 2025 coverage is higher compared to last year.



							Scope 1 emissions are actual data based on real energy consumption data directly collected for our direct property portfolios.	
		Scope 2 GHG emissions generated by real estate assets (tCO ₂ eq)	13 892	15 626	17 195	14 372	<p>Data coverage (based on all investments in real estate assets): 82%</p> <p>Data coverage (based on all investments): 12%</p> <p>Scope 2 emissions are actual data based on real energy consumption data directly collected for our direct property portfolios.</p>	
		Scope 3 GHG emissions generated by real estate assets (tCO ₂ eq)	16 555	15 208	16 073	15 460	<p>Data coverage (based on all investments in real estate assets): 47%</p> <p>Data coverage (based on all investments): 7%</p> <p>Scope 3 emissions are actual data based on real energy consumption data directly collected for our direct property portfolios.</p>	
		Total GHG emissions generated by real estate assets (tCO ₂ eq)	32 146	33 080	35 629	31 386	<p>Data coverage (based on all investments in real estate assets): 81%</p> <p>Data coverage (based on all investments): 12%</p> <p>Scope 1 and 2 are capturing emissions attributable to the landlord of each asset (i.e., common area of the building), while scope 3 captures emissions attributable to the tenants. Contrary to PAI 1 which accounts for assets reporting on both Scope 1 + 2 + 3 separately, the reported coverages account for assets reporting on any of the 3 scopes.</p>	
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters								
Adverse sustainability indicator		Metric	Impact [2025]	Impact [2024]	Impact [2023]	Impact [2022]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies ²¹	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the UN Convention against Corruption (%)	3.64	3.11	2.60	2.67	<p>Data coverage (based on all investments in investee companies): 68%</p> <p>Data coverage (based on all investments): 32%</p>	As part of AXA IM ESG Standards policy, we avoid investing in companies involved in incidents and events that pose a severe business or reputation risk to a company due to the impact on

²¹ Please note that this indicator only apply to listed corporate assets, representing representing 48% (c. €28bn) of the AuM managed by BNPP AM Germany as at end of 2025 (44% from AXA IM Core (listed equity & fixed income), 4% from AXA IM Alts (alternative credit, natural capital & impact)), 45% (c. 28bn) as at end of 2024 (41% from AXA IM Core, 5% from AXA IM Alts), 45% (c. €28bn) as at end of 2023 (41% from AXA IM Core, 4% from AXA IM Alts) and 48% (€27.7bn) as at end of 2022 (43% from AXA IM Core, 5% from AXA IM Alts).

									stakeholders or the environment, which can include corruption and bribery.
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Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Policies related to actions taken, and actions planned and targets set for the next reference period, and related to consideration of PAI at both entity and product levels, have been approved the relevant governing bodies in a continuous manner in the previous years under AXA IM RI Governance process and -this year only- under BNPP AM Sustainability governance, and shared with BNPP AM Board of Directors and with and acknowledged by the Executive Management of BNPP AM Germany in June 2026. The relevant governing bodies are described in sub-section "Governance & committees" of section I regarding AXA IM approach to integrate sustainability risks.

Identification and prioritization of PAI

Following the double materiality perspective, AXA IM has been using the aforementioned sectorial & normative exclusions and ESG scoring methodologies to address the PAIs of its financial products (which will both still apply until end of 2026).

The sectorial exclusions are linked to specific industry sectors which have been identified as having some of the most severe PAI, such as the impact of palm oil on biodiversity, or of thermal coal and oil sands on climate. These sectorial exclusions represent the most important tool for avoiding PAI.

To enable a prioritization of PAI which is relevant for each industry sector and for each asset class, AXA IM further applies our ESG scoring methodologies. PAI are also generally identified and assessed through ESG KPIs such as GHG emissions or respect of human and labour rights.

For **traditional asset classes** managed by AXA IM Core, AXA IM uses its Q² methodology described above which mainly relies on ESG scores provided by MSCI and is applied to all corporate and sovereign issues. MSCI incorporates controversies analyses in its ESG Rating model. On top of that, AXA IM ESG Standards policy take into account severe controversies, reflecting events in which the issuer has had a material negative impact on E, S or G factors, for which we rely on Sustainalytics' Controversies Research methodology and internal qualitative analyses. Furthermore, we have avoided investing in issuers with a low ESG score²² and in those facing severe controversies, for which we rely on both external and internal analysis.

AXA IM had developed specific ESG scoring methodologies for some alternative asset classes as described above, which includes the identification of relevant PAI for different types of asset classes. While for certain asset classes we are currently limited in meaningfully assessing these impacts due to a lack of high-quality information, data, and indicators, BNPP AM will continue to gather, where available, information and data on PAI of our investments.

Moreover, for funds which have a sustainability-related label (e.g., French SRI label, Towards Sustainability's Quality Standard, Greenfin label), further reporting on ESG KPIs is expected as part of the labelling schemes, leading to an enhanced consideration of PAI for these fund ranges²³.

²² All issuers below 1.43 (out of 10) in the Q² methodology.

²³ For more information on our labelled funds and the criteria they adhere to as part of their label(s), please refer to AXA IM's Sustainable Labels policy available on BNPP AM website: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

Since 2023, for the aggregated entity-level PAI statement (for each legal entity mentioned above), to report on our PAI across all portfolios and product-level reporting for our SFDR Article 8 and Article 9 funds range, we rely on:

- For **traditional asset classes** (managed by AXA IM Core): data provided by S&P Global Trucost;
- For **alternative asset classes** (managed by AXA IM Alts):
 - For direct real estate property and CRE debt: directly collected data from surveys;
 - For ABS, ILS and SRT: data provided by MSCI (Carbon Delta), S&P Global Trucost and Bloomberg;
 - For leveraged loans and CLOs: data provided by Octus FinDox.

The list of ESG factors and data sources are periodically reviewed to best reflect AXA IM analysis of PAI priorities and ESG quality of issuers. However, the ESG modelling process executed by our investment managers is complex and involves research, modelling and sometimes assumptions, embedding a certain degree of uncertainty in the way the consideration of PAI impact i) investment decision-making, and ii) most important the sustainable transition in the real economy. Although a rigorous selection process of such third-party providers is applied with a goal of providing appropriate levels of oversight, its processes and proprietary ESG methodologies may not necessarily capture all sustainability risks and, as a result, AXA IM's assessment of the PAIs on the product's return may not be entirely accurate or unforeseen sustainability events could adversely affect the portfolio's performance.

In addition, and whilst a thorough selection process has taken place to define the data providers supporting the implementation of regulatory requirements in relation with PAI, data quality and coverage remain an issue as the indicators are at this stage not reported in a standardized or mandatory manner by investee companies. In addition to ongoing engagements with its data providers, AXA IM has joined a collaborative initiative led by the CDP early 2023, aimed at enhancing the awareness and reporting of such PAI data by investee companies within the EU and beyond. AXA IM has been supportive of the systematic inclusion of PAI indicators in the future CSRD requirements.

Description of PAI and action plans

AXA IM had developed several frameworks aiming to capture the relevant PAI for each main type of issuers and asset classes.

Description of PAI

While for **traditional asset classes**, the approach to assess PAI is the same for each asset class and exclusively based on data from S&P Global Trucost, for **alternative asset classes**, PAI are specific to the asset class in question and based on data from different providers. These are then united into an overall ESG approach across asset classes for the main PAI. For example, for real estate assets, AXA IM Alts RI teams assess indicators such as energy efficiency and GHG emissions themselves and develop specific asset level plans to address them when AXA IM has management control. For certain alternative asset classes, where there is limited information and data currently available, action plans will be assessed and implemented when quantitative information on PAIs is available.

Action plans related to the consideration of PAI

At entity-level:

- On **climate**, following its decision to commit to reach net zero (NZ) emissions on our investments by 2050, AXA IM published its first NZ targets in October 2021, which were subsequently revised in April 2022²⁴, and now covers c. 69% of total AXA IM AuM at end of 2025 (77% excl. JVs). We had developed and are progressively ramping up net zero frameworks for traditional asset classes (one for corporates, one for sovereigns, and for alternative asset classes (direct real estate equity, and, since early 2025, direct infrastructure equity & debt), which all follow the best industry standards²⁵ and use internal and external information to determine the net zero profile and/or alignment of issuers, whether companies, government or direct real assets. More information our AXA IM net zero methodologies is available on a dedicated document available on BNPP AM website: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)
- On **biodiversity**, we had strengthened our strategy to better integrate the challenges relating to biodiversity protection in our investment process, fundamental research, and our engagement strategy. In June 2021, AXA IM signed the Finance for Biodiversity (FfB) Pledge²⁶ with which AXA IM has committed to collaborate and share knowledge, engage companies, assess impact, set targets, and report publicly by 2024, which also steers our Biodiversity strategy. In fulfillment of this voluntary commitment and in application of the recommendations provided by the FfB Foundation on nature target setting for asset managers, we structured the following “initiation targets” as framed by the FfB Foundation²⁷, which can be found on AXA IM TCFD/Art.29 report available on BNPP AM website (see link above). We also worked in close collaboration with data providers to develop metrics to measure impact of our investments on biodiversity ecosystem services (biodiversity footprint) we applied to all listed corporate assets since 2023. The measurement of the biodiversity footprint represents an aggregation of various PAI representing the pressures on ecosystems generated by human activities, namely: water and air pollution; land artificialization, exploitation and pollution; and climate change.

At fund-level:

- More specifically, for **Article 8 and Article 9 products from traditional asset classes**, the ESG reporting available for our ESG-integrated products includes an enhanced climate section, when relevant, combining historic metrics (carbon intensity for scope 1 and 2 as well as upstream scope 3) as well as forward-looking ones (including implied temperature rise and proportion of companies with Science-Based Targets in the portfolio). Since 2023, this reporting also includes the net zero profile of the portfolio. For most of our funds, the implementation of net-zero targets is based on the entity-level net zero strategy which defines specific objectives for various asset classes.
- For **Article 8 and Article 9 funds from alternative asset classes**, since 2023, the ESG reporting available for our Article 8 and Article 9 products includes, when the appropriate data is available and when it is relevant, an enhanced climate section including GHG emissions. In addition, we collect actual data for all direct real estate properties within our external ESG data management platform. All buildings in scope are qualified to get a clear understanding of scope of responsibilities and assets characteristics within a maximum of 15 months after a building is acquired. Qualitative data are updated on a yearly basis to reflect improvements brought to the asset. Quantitative data (energy, water, waste) are collected manually on a yearly basis (during the first quarter). Since 2021, we deployed data collect automation wherever possible to ease data collect and improve data quality.

²⁴ [NZAM-Initial-Target-Disclosure-Report-May-2022-1.pdf \(netzeroassetmanagers.org\)](#)

²⁵ [The Task Force on Climate-related Financial Disclosures, the IIGCC, the CREEM and the GermanWatch Climate Change Performance Index](#)

²⁶ [Signatories – Finance for Biodiversity Pledge](#)

²⁷ See FfB Pledge Reporting Guidance for Signatories: [FFB Reporting Guidance for Signatories-October-2024.pdf](#)

Following the combination of BNPP AM, AXA IM and BNPP REIM, and in connection with the publication of the new BNPP AM Global Sustainability Strategy (GSS) later in 2026, BNPP AM will review its overall approach to consider, mitigate and monitor PAIs. Once disclosed, this would be available on the BNPP AM website (see BNPP AM Sustainability Information): [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

Engagement & voting policies

AXA IM had adopted a global engagement policy where we sought to improve issuers' practices with a specific objective in mind. AXA IM notably did this by exercising its voting rights as shareholders of its equity holdings. AXA IM engagement practices were accompanied and strengthened by focused stakeholder engagements and open dialogues, with specific approaches taken for each asset class:

- For traditional asset classes (listed equity and fixed income), we used direct dialogues with representatives from different levels to challenge investee companies on their strategy and performance, which includes non-financial performance and Environmental, Social and Governance (ESG) policies. The engagement process is guided by clear and meaningful objectives communicated beforehand to the management, which are used to measure and evaluate progress at regularly organized meetings. When progress has not been made within the defined timeline, we voted with conviction or apply other escalation techniques;
- For direct real estate assets, on the real estate equity side, we engaged directly with tenants, with the aim of increasing their awareness of ESG issues and understand their current and future ESG-related needs, and we also encouraged our tenants to share utility data information used to identify inefficiencies in the building and monitor impact of deployed actions; on the commercial real estate (CRE) debt side, we sought to actively improve the level of data visibility on underlying assets to better inform our view of environmental risks. Historically, access to such data in private or secondary CRE markets has been poor, which has hampered visibility of the efficiency or underlying ESG performance of assets and our ability to deploy specific engagement approaches with our CRE counterparties;
- For alternative credit assets, on the direct investment side (leverage loans and private debt), teams engaged with companies, sponsors, and banks with respect to deal analysis and ongoing credit monitoring on a regular basis through an ESG questionnaire completed during the syndication period. On the secured finance side, we aimed to leverage our size as one of the largest European investors in collateralized loan obligations (CLOs) to promote responsible investment practices, directing CLO managers towards higher standards in terms of ESG, both in their day-to-day corporate management as well as in their investment philosophy, and only investing with CLO managers that respect minimal ESG guidelines (i.e., as being signatory of a responsible investment international standard like UN PRI, having a carbon footprint reduction plan, an inclusion program and exclusion policies).

Outside of improving the practices of our own holdings, we also desired to realise a broader market change through our public policy engagements. Such engagement mainly consisted of engagement with policymakers and participation in stakeholder groups, with the aim of realising robust regulatory frameworks that promote an effective role of asset managers in the transition to a sustainable economy, as well as strengthening the link between sustainable finance and real economy initiatives.

AXA IM legacy Engagement Policy (applying until end of 2025 – see below for more details)²⁸ describes in more detail our engagement process with regards to individual holdings and collaborative initiatives. The results of AXA IM 2025 engagement and voting activities are detailed in [BNPP AM 2025 Sustainability & Stewardship report](#) available on BNPP AM website.

How AXA IM used those voting rights to influence investee companies' strategic decisions and governance practices is explained in more detail in **AXA IM legacy** Corporate Governance and Voting policy (applying until end of 2025 – see below for more details)²⁹.

As for engagement with corporates, AXA IM voting process was structured as follows:

1. Selection of priorities: We engaged companies across our ESG thematics in a constructive manner with identified and achievable goals. We challenged companies on their strategy and risks, financial and non-financial performance, and their commitments to strong environmental, social, and governance philosophies;
2. Engagement priorities: sustainability dialogue (dialogue conducted with investee companies around their sustainability practices) was key in establishing and developing a constructive relationship with the company, as well as gaining insights its policies and practices. In the case of engagement with objectives, which sought to influence change at investee companies, we defined targeted objectives related to the key ESG with clear targets, and the timeframe we considered appropriate to see progress depending on the nature of the objectives. This engagement policy, combined with our Corporate Governance and Voting policy, allowed AXA IM to consider adverse impacts;
3. Governance of the engagement process: For engagement with objectives, we shared²⁸ these objectives with investee companies at the outset of the engagement, and systematically tracked and recorded the progress of engagement as described below. While our belief was that long-running confidential and constructive discussions based on trust is often the most effective way to create change over time, we also valued transparency and may have communicated externally on our engagement activities in selected cases.
4. Tracking, escalation and conclusion of the engagement: Each and every time an interaction with a company is logged, an engagement report was uploaded and made visible to all AXA IM investment platforms. Escalation of the discussion through other means and/or at other levels of the hierarchy were options we could have utilised in order to progress on our engagement asks. An escalation strategy was therefore determined for every engagement activity.

AXA IM engagement policy combined with AXA IM Corporate Governance and Voting policy allowed BNPP AM Germany to consider several PAIs. For our corporate exposure, these were addressed as follows:

- On the Environmental side, our engagement with investee companies on their climate transition plans was an important tool for addressing **PAIs 1 to 6**. These PAIs are further addressed to our Three Strikes and You're Out policy which was launched in 2022 to put pressure on companies that lack a credible Net-Zero strategy or quantified emission reduction targets. We furthermore addressed **PAIs 7 to 9** through engagements shaped by our biodiversity footprint tool program developed in cooperation with Iceberg Data Lab (IDL), as well as through our specific engagement programs targeted at deforestation and pollution. Lastly,

²⁸ See AXA IM legacy Engagement policy on BNPP AM website (available until December 31st 2026), see in "AXA Investment Managers sustainability information" section: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

²⁹ See AXA IM legacy Corporate Governance & Voting policy on BNPP AM website (available until December 31st 2026), see in "AXA Investment Managers sustainability information" section: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

additional environmental PAI 6 was not part of our engagement strategy, as it is mainly satisfied through our exclusion policy (water consumption & stress being a key pillar of the ESG scoring methodology used for traditional asset classes, and low ESG scores are excluded under AXA IM ESG Standards policy);

- On the Social side, engagement could have been triggered reactively after indications of an investee company committing severe controversies and violations of international norms and standards such as the OECD Guidelines for MNE, or UNGC. This allows us to address **PAIs 10 to 12**. We furthermore addressed **PAI 13** through our co-creation of the 30% Club France Investor Group, which we used to call French companies on promoting gender diversity at the senior level in cooperation with other asset managers. **PAI 14** was not part of our engagement exercise as investing in controversial weapons is already avoided through our exclusion policy (AXA IM Controversial weapons policy);
- On the Governmental side, we addressed the **additional social PAI 15** by engaging with companies facing severe controversies regarding corruption and bribery, and may divest when necessary.

With regards to our sovereign exposure, we address **PAIs 15 and 16** by our participation in industry initiatives at both the local and international level, aimed at lowering the GHG intensity of sovereigns and decreasing incidences of social violations.

With regards to our direct real estate assets, we address **PAIs 17 and 18 and additional environmental PAI 18** by integrating ESG criteria into our assets strategy, assessing the energy use of the building and its carbon performance since the investment process, as well as monitoring their performance during ownership, with the aim to minimise them through active management and engagement.

Since January 1st, 2026, and following the combination of BNPP AM, AXA IM and BNPP REIM, we are applying our new [2026 joined Stewardship Policy](#) and [2026 joined Voting Policy](#), applying to the eligible investment portfolios of whole scope of BNPP AM as of 1st of January 2026 (including previous AXA IM and BNPP REIM portfolios). As long-term investors, we see stewardship as a core fiduciary duty and instrumental to delivering sustainable financial returns to our clients. We combine voting, issuer engagement and public Policy advocacy to influence companies and governments to help shape sustainable and equitable economies. Promoting good sustainability standards across all types of issuers and holdings is essential both to upholding our ownership responsibilities and protecting and enhancing clients' interests. We are committed to contributing to a successful energy transition, healthy ecosystems and greater equality in our societies, as well as to advancing issuers' performance on governance and on social and environmental topics. To ensure that our activities are effective, consistent, and support our objectives and duties as fiduciaries, they are not only rooted in our Global Sustainability Strategy (GSS) but also codified in, which incorporates our approach to engagement across asset classes, our public advocacy framework and our detailed Voting Policy. These two policies will be reviewed and revised annually and approved by BNPP AM Stewardship Committee, are and available on the BNPP AM website (see BNPP AM Sustainability Information): [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

References to international standards

Until the combination of AXA IM with BNPP AM, *i.e.* until end of 2025, AXA IM sought to comply and adhere to various principles, standards, and codes, considered best practices in the market, which govern our policies and practices. AXA IM had been signatory of the following codes:

- **Principles for Responsible Investment (UN PRI)**, since May 2007;
- **Japanese Stewardship Code**, since 2014;
- **UK Stewardship Code**, since 2010 (and of the revised code in 2020);
- **Task Force on Climate-Related Financial Disclosure (TCFD) recommendations**, since 2017.

The indicators, methodologies and data used in 2025 by AXA IM to consider PAIs that measure the adherence or alignment with the abovementioned codes are detailed in AXA IM ESG Methodologies Handbook, and respectively:

- As for the UN PRI, in [AXA IM 2025 PRI assessment report](#);
- As for the Japanese & UK Stewardship codes, in [BNP AM 2025 Sustainability & Stewardship report](#);
- As for the TCFD recommendations, in [AXA IM 2025 TCFD/Art.29 report](#).

Additionally, and with regards to the TCFD recommendations on climate risk management, AXA IM uses different **forward-looking climate metrics** to assess our investments at AXA IM or entity level. Firstly, since 2022, we use MSCI and Carbon Delta's Climate Value-at-Risk (CvaR) methodology for our investment portfolio's of corporate bonds, listed equity, and commercial real estate (CRE) debt to estimate how the value of these portfolios could be (positively or negatively) impacted by climate policy risks, technology transition opportunities, and extreme weather events, based on the Network for Greening the Financial System (NGFS)'s scenarios³⁰. Since 2021, we also use the MSCI Implied Temperature Rise (ITR) metric to assess the alignment of our investment portfolios of corporate bonds and listed equities with global temperature targets. For sovereign assets, AXA IM measures the same indicator by leveraging the Climate Liabilities Assessment Integrated Methodology (CLAIM) model developed by Beyond Ratings. Lastly, for real assets, we use the same indicator, in addition to a model from Iceberg Data Lab (IDL) based on the Science-Based 2°C Alignment (SB2A) methodology, for estimating the temperature or infrastructure portfolios (equity and debt).

For funds for which we disclose an ESG report³¹, we disclose the ITR on an annual basis. With the exception of these funds, we do not employ forward-looking climate metrics at the product level.

Since January 1st, 2026, and following the combination of BNPP AM and AXA IM, adherence to responsible business codes & internationally recognised standards has been consolidated under the BNPP AM banner and is detailed in the Membership & Pledges document available on the BNPP AM website (see "BNP Paribas Asset Management Sustainability Information" section): [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

In connection with the publication of the new BNPP AM Global Sustainability Strategy (GSS) later in 2026, BNPP AM's net zero, biodiversity & equality roadmaps will also be updated, notably with new net zero targets defined on the new global scope of BNPP AM, including the legacy scopes of AXA IM and BNPP REIM, and will remain aligned with the best and most relevant internationally recognised standards.

Historical comparison

This year's statement marks the third year of historical comparison against the previous reported periods as requested by the SFDR (i.e., calendar year 2025 compared to calendar years 2022, 2023 and 2024 as for this year's statement).

³⁰ The five NGFS scenarios used to assess the CvaR are: 'Net Zero 2050', 'Divergent Net Zero', 'Below 2°C', 'Delayed Transition', and 'NDC'.

³¹ All product-level ESG reports are available on AXA IM Fund Center: [AXA IM Fund Center - AXA IM DE \(axa-im.de\)](#)

Overall, if we look at the trend over the last four years, it is clear that, apart from a few PAIs where there has been no particular change in terms of methodology (on the part of our data providers) or in terms of data coverage or of data quality as reported by issuers (such as PAI 4 for example), it is difficult to observe a clear trend on the actual impacts observed, as these changes have sometimes drastically affected the results observed from one year to another.

In more details, as for mandatory PAIs applicable to investee companies:

- On climate- & energy-related PAIs (i.e., PAIs 1 to 6), we overall report a positive trend on PAIs 1 to 6 between 2022 and 2025, with:
 - On **PAIs 1 to 3** related to GHG emissions, we have observed a significant increase of Scope 3 emissions in 2025 compared to 2024 (which was already increasing in 2024 vs 2023): this is the result of a significant increase in data coverage of downstream GHG emissions available in S&P Trucost datasets and in the entity's investment universe over the past reported three years³². This increase is due to the enrichment of data collected by S&P Trucost of corporate GHG emissions that eventually appear in other companies' Scope 3 emissions, in particular on the downstream side, when relying on the S&P Trucost proprietary environmentally extended input-output (EEIO) model³³. This is particularly noticeable on the Financial³⁴ and IT sectors where reported Scope 3 downstream emissions have increased significantly over the past two reported years. Although we expect these large changes in Scope 3 emissions to stabilise over the years as companies strengthen their reporting in this area and the data becomes more robust, it does illustrate the difficulty of interpreting trends in Scope 3 emissions at portfolio or asset manager level at this stage. On the other hand, it should be noted that the level of confidence we have in Scope 1+2 emissions is now sufficiently high to allow further interpretation or even make investment decisions. Moreover, we note the significant decrease in data coverage for absolute emissions at the end of 2025 compared to the end of 2024, and therefore the significant decrease in reported absolute emissions at the Company level, following the migration of our ESG KPI database to our third-party partner WeeFin in January 2025
 - As a result we observe an increase of +2% of BNPP AM Germany's AuM absolute total GHG emissions (**PAI 1**) over this four-year period (after a -8% decrease between 2022 and 2024) that is mainly driven by the abovementioned issue with Scope 3 emissions, the sale of high emitting companies³⁵,

³² I.e. between FY2021 and FY2024, which are the last years used to consolidate our portfolio-level carbon footprint in 2025.

³³ To collect upstream Scope 3 emissions, S&P Trucost uses its proprietary environmentally extended input-output (EEIO) model. This model uses input-output tables that detail how goods and services produced by each sector are used as inputs by other sectors to produce additional goods and services. By combining these extended tables with industry-specific environmental intensity factors, S&P Trucost can assess the environmental impacts of companies not only on their own operations but on their entire supply chains. This allows for the coverage of all upstream Scope 3 categories. To collect downstream Scope 3 emissions, S&P Trucost uses data provided by companies themselves as much as possible. This data is used without modification if it has been verified by a third party and if all relevant categories have been calculated. Otherwise, S&P Trucost fills in relevant and yet-to-be calculated categories as well as empty categories using a specific sector intensity, which is determined using the company's own data as well as external reference data. This approach allows S&P Trucost to limit data errors by excluding unverified data and using external reference data to fill in the gaps. More details on S&P Trucost GHG emissions accounting methodology can be found in AXA IM ESG Methodologies Handbook, available on BNP AM website: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)

³⁴ For the financial sector specifically, Scope 3 downstream emissions also includes portfolios/financed GHG emissions which is naturally the bulk of the GHG emissions for a financial company (Scope 3 category 15 under the GHG Protocol carbon accounting framework), and this category has been significantly increased in the past years due to more robust GHG emissions reporting by financial institutions themselves.

³⁵ In 2024 in particular, such effect could also be the result of i) the implementation of the ESMA fund-naming guidelines, under which funds using sustainability, ESG, transition, or impact-related terms in their name shall apply Paris-Aligned Benchmarks (PAB) or Carbon Transition Benchmarks (CTB) exclusions depending on the specific term used (noting PAB exclusions are particularly strict on fossil fuel activities) and ii) the revision of the Towards Sustainability (TS) and ISR label guidelines, implemented in July 2024 and December 2024 respectively which also now include stricter exclusion criteria on fossil fuel activities. More information on these exclusion criteria can be found on AXA IM annual TCFD/Art29 report, available on BNPP AM website: [Our sustainability policies and reports - BNP Paribas Asset Management - Corporate English](#)



and the purchase of low emitting companies, and an increase in data coverage on eligible assets between 2023 and 2025 (+13% of coverage on Scope 1 and 2 emissions, +11% on Scope 3 emissions);

- Our carbon footprint (**PAI 2**) benefits from the factors mentioned above and shows the same trend as well but nevertheless results with a -1% decrease over the period, going from 128 to 126 tCO₂eq/€M invested in four years, although it stood as 108 in 2024;
- On the contrary, the average GHG intensity of investee companies (**PAI 3**) has sharply increased 2025 due to this increase on Scope 3 emissions, from 1 038 tCO₂eq/€M of investee companies' revenues in 2024 to 1 811 in 2025, with a +48% compared to 2022, a trend in which in there are also market effects (revenues – the denominator – have increased in 2023 due to inflation, thus having a decreasing effect on the carbon intensity of investee companies) in addition to the abovementioned factors;
- BNPP AM Germany's relative exposure to fossil fuels (**PAI 4**) show a steady positive trend and decreased from c. 2.44% to 2.08% of total AuM over the period, as did the share of investments with non-renewable energy sourcing (**PAI 5**) which also decreased from c. 64.4% to 48.7%;
- Lastly, the trend on the **PAI 6** varies depending on the sector, with a positive trend measured on all sectors except on the Wholesale and retail trade, and Real estate sectors;
- On the biodiversity-related PAI (i.e., **PAI 7**): following significant evolutions in our data providers methodology (S&P Trucost and FinDox) and a significant data coverage increase in 2024, we report a relative exposure to activities negatively affecting biodiversity-sensitive areas increasing significantly from c. 1.1% of total AuM in 2022 to c. 2.8% in 2023 and then to 7.5% in 2024 and 8.15% in 2025, but with very limited comparability as a result. The significant increase in the data coverage (in particular from S&P Trucost) is a particularly central factor here, since it has gone from 3% of eligible assets in 2022 to 53% in 2024 and 77% in 2025. In the future, BNPP AM will continue to engage with policy-makers, data providers and corporates to support enhance usability and comparability of this metric;
- On the water-related PAI (i.e., **PAI 8**): the same trend than the PAI 7 applies to the PAI 8 we report an emissions to water ratio increasing significantly from c. 0.006 t/€M invested in 2022 to c. 0.02 in 2025 following an important increase of the data coverage over the past year (coverage on eligible assets was at 32% in 2025 against 17% in 2024 and 15% in 2023), as this ratio was at c. 0.004 t/€M invested in 2024. These emissions remain low in absolute but have to be nuanced by the relatively low data coverage;
- On the waste-related PAI (i.e., **PAI 9**): same for this PAI, for which we report an impact increasing from c. 0.81 t/€M invested in 2022 to c. 1.38 in 2024 and 2.91 in 2025 following an important increase of the data coverage over the past year (coverage on eligible assets was at 46% in 2025 against 38% in 2024 and 33% in 2023); as such, for PAI 9 like the two previous ones, it is difficult to assess underlying factors from the real economy behind the trends we observe, even looking at a four-year period;
- On the social- & human and labour rights-related PAIs (i.e., PAIs 10 to 14):
 - We report an increase on the **PAI 10**, going from 0.02% of total AuM in 2022 to 0.21% in 2025 of exposure to investee involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises. Such investments are part of dedicated products for which our client has diverging views on

these violations, in particular from certain Chinese & Israeli companies. In spite of this increase, our exposure to such companies remains relatively very low overall;

- As for our exposure to investee companies without policies to monitor compliance with these international conventions (**PAI 11**), we report a steady decrease of our exposure from year to year from c. 10.5% of total AuM in 2022 to c. 8.7% in 2025;
- On gender diversity-related PAIs, we report a slight decrease of percentage of average gender pay gap in our investee companies (**PAI 12**) from c. 15.1% in 2022 to c. 13.2% in 2025, and a slight increase of the average ratio of female board members in our investee companies (**PAI 13**), going from 36.8% in 2022 to 38.1% in 2024 although in 2025 we have observed a drop to 33.8%;
- Lastly, BNPP AM Germany's exposure to investee companies involved in controversial weapons (**PAI 14**) was still null from 2022 to 2025, thanks to the implementation of AXA IM Controversial weapons exclusion policy.

As for the mandatory PAIs applicable to sovereigns & supnationals (i.e., PAIs 15 and 16): we report a steady but important decrease of the GHG intensity of our investee countries (**PAI 15**) from year-to-year, going from 448 tCO₂e/€M invested in 2022 to 341 in 2025, and a decreased exposure from 1 to 0 country subject to social violations (**PAI 16**) in 2025 versus 2022 (i.e., from c. 0.8% of total number of investee countries in both 2022 and 2023 to 0% in 2024) based on our data provider methodology.

As for the mandatory PAIs applicable to real estate assets (i.e., PAIs 17 and 18): between 2022 and 2025, no investment has been made in fossil fuel exposed assets (**PAI 17**), with a stable ratio of 0% exposure, and the share of investments in energy inefficient assets (**PAI 18**) has decreased from c. 37.5% in 2022 to 29.6% in 2025. AXA IM had been committed to improving the energy and carbon performance of assets managed, using detailed recommendations of energy audits to identify and prioritise key reduction levers and by implementing energy and carbon reduction and optimisation actions on real estate portfolios.

As for the additional environmental PAIs disclosed:

- On water usage and recycling (**additional environmental PAI 6**): we report a stable trend of the average amount of water consumed by our investee companies, going from 5 367 m³/€M of investee companies' revenues in 2022 to 5 376 in 2025, and with a steady increase of the data coverage (66% in 2023 and 78% in 2025);
- On GHG emissions for real estate assets (**additional environmental PAI 18**): the total GHG emissions have increased by 7% between 2022 and 2025, in particular due to a significant improvement in scope 1 and scope 2 data coverage in the past three years;
- Lastly, as for the additional social PAI disclosed (i.e., **additional social PAI 15**): we report an increase of the share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption, going from c. 2.7% of total AuM in 2022 to c 3.6% in 2025, which is mainly due to an increase in data coverage for this metric.

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Reporting on certain PAI indicators may be limited, notably in terms of coverage across the asset classes we manage or may reflect reporting periods prior to 2022, 2023 or 2024 due to lack of data availability for 2022, 2023 or 2024. Not all companies and counterparties currently report on all sustainability factors and the report relies on the data available at the moment, disclosed on an annual basis, which might be sourced through third party data providers. Therefore, the data contained herein may prove to be incorrect or incomplete and possible data discrepancies may occur (in particular regarding data provided by third parties). BNPP AM Germany (ex-AXA IM Deutschland) may change its third-party data provider at any time and at its own discretion, which may also result in changes in relation to the data and or methodologies used for the same instruments or investments in future reports.

For certain indicators, BNPP AM Germany (ex-AXA IM Deutschland) may have made its best effort to request and collect such data from investee companies and/or third-party data provider but was unable to measure or estimate with sufficient comfort the PAI indicator due to (i) a lack of homogenous data disclosure from the investee companies, and/or (ii) poor quality of the data provided by third party data providers and/or unavailability of relevant proxy data from third party data providers. As third-party data providers methodologies will improve in the coming years, BNPP AM Germany (ex-AXA IM Deutschland) may intend to reassess data quality to be able to report on such PAIs in the future.

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