BNP PARIBAS ASSET MANAGEMENT Europe, Netherlands Branch

Remuneration policy, October 2026

Remuneration practices & Sustainability risks integration, March 2024



REMUNERATION POLICY

BNP PARIBAS ASSET MANAGEMENT Europe, Netherlands Branch

October 2026

The objective of a remuneration policy is to ensure all employees are compensated in a way that complies with management guidelines, while offering transparency and consistency in the remuneration strategy, and ensuring compliance with applicable regulations.

In asset management, where human capital is crucial, a company's remuneration policy and practices have a significant impact on competitiveness, helping it recruit and retain talent.

Fostering awareness of our compensation policy and practices among our managers and employees is particularly important to BNP PARIBAS ASSET MANAGEMENT (BNPP AM), the asset management business line of BNP Paribas Group.

What are the key principles of BNPP AM's reward policy?

Our reward strategy is designed to achieve a sound, responsible and effective remuneration policy and practice. In particular, it is designed to:

- avoid conflicts of interest;
- protect the clients' interests; and
- ensure there is no encouraging of excessive risk-taking.

These three points are central to our policy and are emphasized to all our employees.

To meet these objectives, we use a best practice, which is to align the long-term interests of the employee, the employer and its clients.

BNPP AM's compensation structure is made up of several types of remuneration:

- Everyone benefits from **Fixed Compensation** or a base salary, reflecting the individual's role, qualifications and experience, as well as a satisfactory level of commitment.
- **Variable Compensation** is a supplement available to a wide range of employees and based on individual and collective performance. It is usually delivered in cash in March after the end of the performance measurement period, but can be subject to deferral, with payment over several years, settled after various risk adjustment factors have been applied.
- **A long term incentive plan** awarded under the BNPP Group umbrella

BNP Paribas Asset Management applies a **pay for performance** principle, ensuring that value creation for our firm and our clients is rewarded through variable compensation. Where employees have a variable compensation above a certain threshold, an additional **alignment of interest** is implemented through deferred compensation, which is fully indexed on fund performance and aligned on client outcome.

Monetary remuneration is just one part of our total reward package. We also offer our employees competitive benefits, exciting career opportunities and a dynamic workplace offering challenges and a sense of achievement.

How is performance measured and linked to variable remuneration?

Remuneration depends not just on individual success, but also on the whole company's performance.

For awards of variable remuneration, the global variable remuneration pool is a result of BNPP AM's overall performance, reflecting its success in meeting major business objectives. In a top-down approach, this collective performance is assessed and cascaded down to BNPP AM departments, based on specific key performance indicators.

Finance and HR help BNPP AM's top Management determine the annual global variable remuneration pool, based on an estimate of BNPP AM's profit before variable remuneration. This estimate is made after adjustments from Risk, Compliance, Legal and Operational Risk Control have been factored in, as may be needed. This helps ensure that all existing and foreseeable risks[1] are duly taken into account.

Individual performance is assessed all along the year, then at the end of it, thanks to a performance rating, based primarily on individual objectives[2] set at the beginning of the year, for each BNPP AM employee. For investment managers specifically, the assessment will rely on a combination of quantitative and qualitative objectives. Quantitative objectives will be linked to portfolio performance (within a defined risk budget) and will be measured over several years.

Here as well, managers are required to pay specific attention to all existing and foreseeable risks (as defined above), when carrying out their employees' annual individual appraisal. This can be done using key performance indicators tailored to each employee, pre-defined during the semi-annual objectives' setting and re-assessment processes.

For control functions, such as Compliance, Risk, Legal and Operational Risk Control, fixed and variable compensation is set independently from the performance and the compensation pool of the business areas that they oversee or monitor. This is secured by BNP Paribas' organisation in integrated central control functions, with their heads directly reporting to BNP Paribas' CEO.

Furthermore, for deferred and indexed awards, specific risk adjustments may be applied after their awards, generally at their vesting dates at the end of their deferral periods. The remuneration committee of BNP PARIBAS ASSET MANAGEMENT Holding (BNPP AM Holding), the parent entity of BNPP AM business line, reviews all these awards annually, before they are paid out, and oversees that where needed, a malus, i.e. a downward adjustment to account for significant risks or underperformance (e.g. severe financial stress of BNPP AM, cases of individual misconduct, etc.) is applied. Ultimately, such remuneration committtee may also apply at its discretion a malus.

In case an event of misconduct is identified after a deferred and indexed award has been paid out, BNPP AM can resort to commercial terms of its awards (subject to applicable legislation), to recoup (or "claw-back") all or part of such unduly perceived variable remuneration.

For the avoidance of doubt, in case of misconduct, variable remuneration can be reduced to zero.

How are the remuneration decisions calculated and taken and how is the remuneration policy governed?

Remuneration decisions are made by enforcing the BNP Paribas Group's CRP or Compensation Review Process. CRP is a global end-of-year review used to validate every type of compensation. Its collaborative software platform allows the collective and individual performance impacts to be efficiently managed.

It also helps ensure employees receive equal and fair treatment, delegation rules are respected and remuneration decisions are verified by both a manager and HR at every step.

As a significant input to the Compensation Review Process, individual market benchmarks for fixed as well as variable remuneration are used from leading providers (mainly Aon).

As a rule, BNPP AM has a discretionary approach to its variable remuneration decisions, and implements them systematically via the BNP Paribas Group's CRP. In practice, the bonus pool is determined during the fourth quarter, based on estimates of performance indicators calculated by Finance and HR, in liaison with the business, Risk and Compliance, in the frame of the budgetary cycle. In particular, with regards to variable remuneration award for certain investment managers executives (i.e. portfolio manager and their team heads) BNPP AM uses quantitative indicators to help align their interests with that of BNPP AM and its clients.

[1] e.g., market, credit, operational, liquidity, compliance, litigation risks…
[2] BNPP AM ensures that quantitative objectives are always supplemented with qualitative objectives.

Ultimately, the global remuneration policy is designed and overseen by BNPP AM's board of directors and a three-member remuneration committee, who are responsible for ensuring its relevance and effectiveness at all times. This remuneration committee is chaired by one of the two independent directors of the board.

Who sits on the BNPP AM holding remuneration committee and who are the reward decision makers?

The BNPP AM Holding remuneration committee comprises the following directors as of 13 October 2026:

- Colin Clark: independent director, Chairman of Remuneration Committee of BNPP AM Holding's board of directors;
- Hélène Leclerc: independent director;
- Jacques d'Estais: Board member of BNPP AM Holding

In addition, the reward decision makers are those listed in Appendix 1.

How is the list of identified staff determined?

BNPP AM identifies its staff with a significant impact on the risk profile of their employer or on the portfolios that they manage in a consistent manner across all of its AIFM and/or UCITS licenced entities:

- At management company level, the heads of control functions (notably the heads of risk and compliance) are identified, as well as the board members and the CEO, deputy CEO and the CIOs.
- At portfolio level, portfolio managers are included in the identified staff, subject to proportionality rules as described below.

Where non-AIFM or non-UCITS entities of BNPP AM are subject to other types of identification of staff requirements, BNPP AM ensures it respects rigorously those local requirements.

What specific remuneration policy applies to them?

Identified Staff have at least 40% of their variable remuneration deferred over three years (with a vesting schedule of 25% in the first year, and the remainder equally split over the last two years). This deferral is fully in "remuneration instruments" i.e. in the form of cash indexed on relevant indices:

- For the large majority of employees, the index will be calculated on the relative performance of funds representative of their area of activity (where relative performance is not relevant, absolute performance may be used).
- For heads of control functions, there is no indexation, to preserve their independence.

Where the applicable regulations require more than 40% of variable remuneration paid in instruments (typically, 50%), part of the non-deferred remuneration may be paid in retained instruments (ie the same instruments as those deferred, but only held for a period of six months, without vesting conditions).

How does BNPP AM implement proportionality?

In line with general market practice, Identified staff who earn less than 200,000 euros of variable remuneration for their regulated activity (e.g. board directors' fees, junior portfolio managers, …) will not be subject to the mandatory thresholds of 40% deferral and 50% in instruments on the entirety of their annual variable remuneration award. Nonetheless, they may still have part of their variable remuneration deferred in instruments (as described above), for strategic retention reasons. Indeed, a firm-wide progressive grid of deferral (100% in instruments as described above) is applied, function of the variable remuneration award's level (applicable above a defined threshold)

Thus, for Identified Staff, the 40%[3] regulatory deferral percentage (on the entirety of their annual variable remuneration) replaces the firm-wide progressive deferral grid, when their variable remuneration award exceeds 200,000 euros.

What about investment management delegations?

In order to best leverage on its wide array of investment capabilities, BNPP AM resorts to internal delegations of portfolio management activities. Overall, there is only little use of delegations to asset managers external to BNPP AM. Internal delegations are generally given to other entities of BNPP AM, which are subject to the same BNPP AM Global Remuneration Policy. When a

[3] respectively, 60%, when variable remuneration award is above 750.000 euros

delegation is made to an internal entity of BNPP AM which is not subject to AIFMD or UCITS V, BNPP AM ensures that the corresponding identified staff is subject to its BNPP AM Global Remuneration Policy for its AIFM and/or UCITS V entities.

What about Private Assets activities?

Carried interest is a long-established incentive standard in the private assets' industry, through which the investment by the General Partners ("GPs", i.e. the fund's investment company and its key employees), representing a low percentage of the Liability Partners' ("LPs", i.e. the fund's investors) commitments, gives them access, generally at the end of the fund's life, to a higher percentage of the fund's overall performance, provided such performance exceeds a predefined target return threshold agreed with investors ("hurdle rate").

At BNPP AM, in line with industry's best practice, carried interest schemes are implemented, allowing for strong alignment of interest with BNPP AM clients. Through a rigorous governance process, selected employees within BNPP AM's Private Assets activities are offered the possibility to participate in carried interest schemes, in exchange of their personal financial commitment. Notably, those schemes have the following characteristics:

- The allocation of a share of the fund's global capital gain to the carried interest beneficiaries is subject to the prior delivery of a target ("hurdle") rate of return to the fund's investors;
- The return is based on the funds' actual net performance over a long period (in general after 8-12 years), and not after each distribution operation;
- The sharing of profit is subject to a relatively long presence of the employee within the team, as per vesting arrangements (aligned with market practices).

The selection of parameters (% of performance/profit sharing, hurdle rate, "catch-up", vesting rules, etc), specific to each fund, depending notably on its asset class, as well as the determination of eligible populations and individual allocations, are decided for each fund on a case-by-case basis, in line with market practice, following a dedicated governance framework, under the supervision of the BNPP AM Holding Remuneration Committee.

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This disclosure of BNPP AM's remuneration policy and practices was prepared by the HR, Compliance, Risk & Operational Risk Control and Legal departments of BNPP AM, and was approved by BNPP AM's management.

The last update of the BNPP AM Remuneration Policy was approved by BNPP AM Holding's Board of Directors on 13 October 2026.

Wherever local law so requires, the Policy was presented to works councils, regulators, and other stakeholders as may be appropriate.

Appendix 1: Reward decision makers[4]

In the Netherlands:

Jan Lodewijk Roebroek	Branch Chief Executive Officer
Rosjen Muradin	Head of Human Resources

[4] *Names & positions are those currently in effect. In case of an evolution, this disclosure will be updated as soon as practically possible, as required by the UCITS & AIFM regulations.*

Remuneration practices & Sustainability risks integration

March 2024

SUSTAINABILITY AT THE HEART OF BNPP AM'S STRATEGY

GLOBAL SUSTAINABILITY STRATEGY

In a changing world, we focus on achieving long-term sustainable returns for our clients, to make a positive difference in people's futures. BNPP AM's strong commitment towards sustainable investment is comprehensively described in its firm-wide Global Sustainability Strategy (GSS)[1].

BNPP AM's Global Remuneration Policy is fully aligned with the GSS, as it represents a core element of BNPP AM's overall strategy. Set out below are the key remuneration practices that allow to make sustainability risks integration, part and parcel of BNPP AM's remuneration policy.

SUSTAINABILITY RISKS IN BNPP AM'S REMUNERATION POLICY & PRACTICES

INTEGRATION OF SUSTAINABILITY RISKS IN RELEVANT EMPLOYEES' INDIVIDUAL OBJECTIVES

As mentioned in Section 3 of BNPP AM's Remuneration Policy, "*all of our employees, whose remuneration is decided during CRP [Compensation Review Process], are appraised through continuous feedback and annual review against a set of objectives that are specific to the nature of their role.*"

First, BNPP AM's management recognises that each team within BNPP AM does contribute to the achievement of BNPP AM's overall strategy, hence plays a role in the reaching of its sustainability goals.

More concretely, sustainability-related roles and responsibilities were defined for a set of key internal functions more closely involved with Sustainability at BNPP AM, and specific objectives were assigned, which are cascaded down to teams and individuals where relevant. At the end of the year, the fulfilment of these objectives is assessed, among others, in the annual performance reviews, which are a key input in the determination of the annual variable remuneration awards. This determination remains a discretionary process, in line with BNPP AM Global Remuneration Policy's standard practice.

Teams with such assignment of specific sustainability objectives are the following:

- **Executive Committee**

Where relevant, Executive Committee members have goals relating to the successful implementation of BNPP AM's Global Sustainability Strategy, and the integration of sustainability risks, across our organisation. The Global Sustainability Strategy encompasses a comprehensive suite of policies and procedures designed to integrate the evaluation of sustainability risks throughout our investment processes and stewardship activities.

- **The Sustainability Centre**

This team plays a central role in the design and implementation of BNPP AM GSS:

- driving our approach to sustainable investment;
- being responsible for developing and implementing the firm's Global Sustainability Strategy, ESG Integration Guidelines and Policy, Stewardship Policy, Responsible Business Conduct Policy and product-based exclusions, as well as the firm's ambitious targets on issues such as the energy transition, the environment and equality;
- providing investment teams with research, analysis and data at company and sectoral levels, and also supporting teams in their efforts to fully integrate sustainability-related risks and opportunities into investment strategies;
- playing a crucial role in measuring, tracking and reporting on BNPP AM's impact and progress on sustainability;

[1] https://www.bnpparibas-am.com/en/sustainability/

- driving BNPP AM's ESG-related stewardship activities, which include proxy voting and engagement with companies and policy makers; and setting the strategic direction as well as playing an advisory and coordination role to the investment teams in their dialogues with companies on sustainability-related issues.

Thus, many objectives of Sustainability Centre members do relate to the integration of sustainability risks.

► Investment teams

At the core of our investment processes, particularly those with an explicit ESG related objective, analysts and portfolio managers integrate ESG factors into their company, asset and sovereign evaluation and investment decision-making processes.

Investment teams are responsible for implementing our ESG Integration Guidelines for the assets they manage, which include a number of key objectives such as:

(i) the integration of ESG information (and risks) in investment decision-making; and

(ii) the aim to 'beat the benchmark' (where an investible benchmark exists) on the ESG score and carbon footprint of their portfolios (noting that some non-standard cases exist).

Successfully implementing our ESG Integration Guidelines is reflected in the objectives of our Chief Investment Officers, and cascaded to their investment teams where relevant.

► ESG Champions

ESG Champions have been appointed within Investments and the Global Client Group in order to help promote sustainable investment and integrate sustainability risks within each team, liaising with the Sustainability Centre. Champions typically participate in relevant training sessions, which are organised centrally both for the ESG Champions as well as across investment and commercial teams. Each investment team has at least one ESG Champion who is notably, responsible for communicating issues related to sustainability risks to team members. ESG Champions' objectives reflect this, including additional goals specific to their Champion role.

► Quantitative Research Group (QRG)

- Co-develop ESG Scoring using, among other criteria, a materiality and risk-based approach
- Develop new research methodologies and approaches
- Research on and monitor the link between ESG integration and investment performance

This is reflected in the objectives of this department, and cascaded to its members, where relevant.

► RISK function

Sustainability risks are included in the RISK function's controls:

Respect of ESG criteria objectives described in the fund prospectus's investment guidelines, and ensure successful implementation of our Responsible Business Conduct (RBC) Policy

Insertion of ESG criteria within the credit risk policy

Contribution to ESG model reviews

This is reflected in the objectives of the RISK function, and cascaded to its members, where relevant.

INCLUSION OF SUSTAINABILITY RISKS IN OUR RISK-ADJUSTED REWARD FRAMEWORK

First, section 4.1 of BNPP AM's Remuneration Policy explicitly mentions that the Bonus Pool is determined annually taking into account *"current and future risks (including sustainability ones)".*

In addition, section 3 of BNPP AM's Remuneration Policy states that "*Regulated Staff and SMPs (holders of Senior Management Positions in a Group wide context) have mandatory Compliance and Risk objectives. If these two objectives are not met, the variable compensation of the concerned employees may be reduced under the supervision of the Remuneration Committee*".

Meeting of the mandatory Risk objective is decided by examining the employee's manager appraisal and the assessment by the RISK function, during a Risk and Compliance review committee at the end of the Compensation Review Process.

Thus, more generally and based on its controls, RISK function is able to raise sustainability risks-related breaches, together with Compliance and HR:

- during the Risk & Compliance review, leading to potential negative impacts on variable remuneration to be awarded at the end of the Compensation Review Process, and
- before the vesting of deferred bonus plans, leading to potential malus on the vesting amounts.