BNPP AM ESG rating disclosure
Coprorate ESG scoring methodology

IMPORTANT INFORMATION: This document sets out the disclosures required under Annex III, point 1, of Regulation (EU) 2024/3005 in relation to BNP Paribas Asset Management (BNPP AM)'s proprietary **ESG scoring methodology for corporate issuers.**

This document should be read together with the information on our ESG scoring methodology available here: ***Corporate ESG scoring framework***.

BNP Paribas Cardif, the insurance arm of BNP Paribas, completed the acquisition of AXA Investment Managers (AXA IM) on the 1st of July 2025. On the 31st of December 2025, BNP Paribas asset management activities1 merged their main legal entities under a unified structure owned by BNP Paribas Cardif and operate under the BNP Paribas Asset Management brand.

This document applies to the eligible investment portfolios managed by BNPP AM legacy before the combination of entities.

I. Rating Product Disclosures

Information on the ESG rating's clearly defined objective and marking whether the rating is assessing risks, impacts, or both, according to the double materiality principle, or any other dimensions, and in the case of double materiality the proportion of the risk and impact materiality – Point (f).

BNPP AM's corporate ESG rating is designed to provide an internal standardised and holistic assessment of a corporate's performance on environmental, social and governance factors in order to support investment analysis, decision-making and stewardship activities. The methodology primarily assesses financially material ESG risks and opportunities relevant to the issuer's sector and geographical context.

While it does not assign a specific proportion between risk and impact materiality, certain metrics may reflect both the issuer's exposure to sustainability-related risks and its impacts on stakeholders or the environment where these are considered material.

The ESG rating's scope, namely, whether it covers an individual E, S, or G factor or whether it is an aggregated rating aggregating E, S and G factors, or whether it covers specific issues such as transition risks – Point (g).

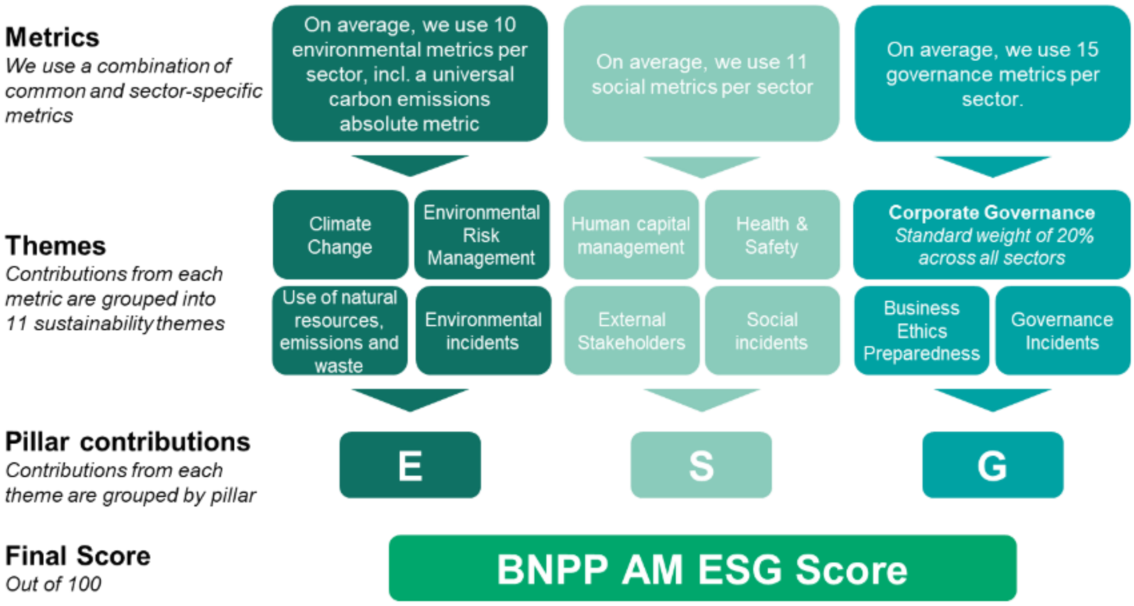
As mentioned above, BNPP AM's corporate ESG rating is an aggregated rating covering environmental, social and governance factors. It is designed to provide a holistic assessment of an issuer's ESG profile through a combination of common and sector-specific metrics across E, S and G pillars. While the rating is aggregated, it also captures certain specific issues where relevant, including climate-related risks, carbon emissions and controversies, through dedicated metrics and qualitative overlays.

In the case of an aggregated ESG rating, the weighting of the three overarching E, S and G categories of factors (for example 33 % for the E factor, 33 % for the S factor, 33 % for the G factor), and the explanation of the weighting method, including weight per individual E, S and G category – Point (h).

The weighting of the E, S and G pillars is not fixed across all sectors. Instead, pillar, theme and metric weights are determined at sector level based on the relative materiality of ESG issues, data quality, data availability and the ability of the selected indicators to differentiate issuers meaningfully. As a result, the contribution of each pillar to the final score varies depending on the sector. The final score is derived from the aggregation of the weighted contributions of the selected metrics through 11 common sustainability themes and the three E, S and G pillars (see next point for further details).

Within the E, S or G factors, specification of the topics covered by the ESG rating, and whether they correspond to the topics from the sustainability reporting standards developed pursuant to Article 29b of Directive 2013/34/EU - Point (i)

The methodology leverages an average of 36 indicators per sector to obtain the final ESG rating. For consistency and communication, each company's indicators are grouped into 11 common themes, as shown below:



The themes addressed by our scoring approach are closely aligned with those reflected in the Article 29b of Directive 2013/34/EU.

Information on whether the rating is expressed in absolute or relative value – Point (j).

BNPP AM's corporate ESG rating is expressed as an absolute score ranging from 0 to 99. However, the assessment is primarily relative in nature, as issuers are evaluated against sector and geographical peer groups and ranked in deciles within those peer groups. The methodology also incorporates certain absolute elements, notably in relation to carbon emissions and controversies, to reflect risks that are not assessed solely on a peer-relative basis.

If an ESG rating of a rated item covers the E factor, information on whether that rating takes into account the targets and objectives of the Paris Agreement or any other relevant international agreements– Point (o).

BNPP AM's corporate ESG scoring methodology takes into account climate-related objectives and relevant international frameworks in relation to the environmental factor. This is reflected indirectly through the assessment of climate-related metrics, including carbon emissions, climate change and environmental risk management, as well as transition-related risks and broader environmental performance indicators. While the methodology is not designed to measure formal alignment with the Paris

Agreement, it incorporates elements intended to reflect climate-related risks and performance in a manner consistent with internationally recognised sustainability objectives.

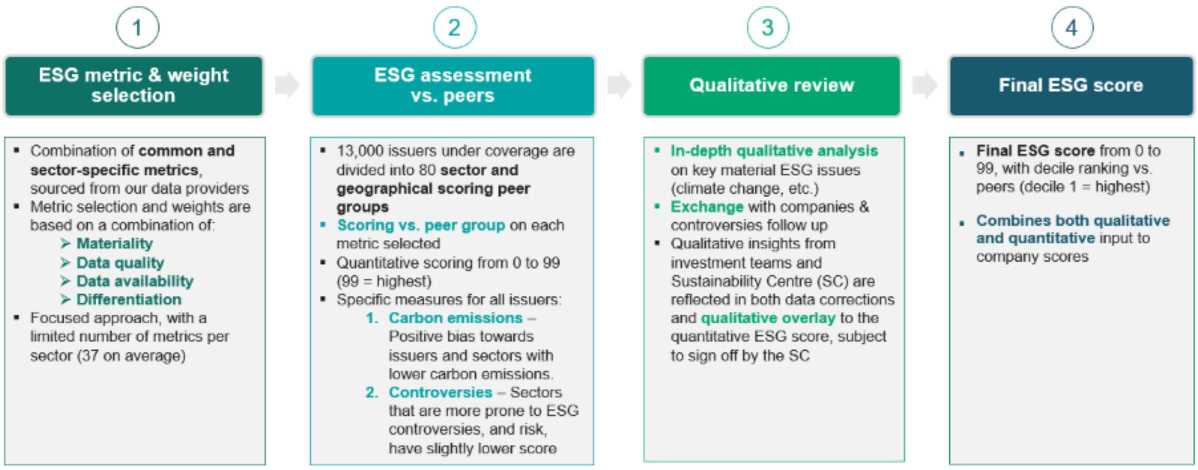
If an ESG rating of a rated item covers the S and G factors, information on whether that rating takes into account any relevant international agreements – Point (p)

BNPP AM's corporate ESG scoring methodology takes into account relevant international agreements and norms in relation to social and governance factors, notably through its assessment of issues such as human rights, labour standards, business ethics and corporate governance

II. General Methodological Disclosures

An overview of the rating methodologies used and changes thereto, including whether analysis is backward-looking or forward-looking and the time horizon covered – Point (a).

You will find below the 4 key steps of our ESG scoring process.



Additional details on the methodology are available here: [Corporates ESG scoring methodology]

BNPP AM's corporate ESG scoring methodology is primarily based on historical disclosed and estimated data providers information, but it also incorporates forward-looking elements through qualitative overlays and data corrections where material ESG developments, controversies or engagement insights are not yet fully reflected in the quantitative data. The methodology is subject to periodic review and may evolve over time to reflect improvements in data availability and quality, methodological enhancements, and developments in market practice, sustainability research and regulation.

The industry classification used – Point (b).

BNPP AM's corporate ESG scoring methodology uses a proprietary sector-based classification combined with geographical segmentation to assess issuers against relevant peer groups. This sector-based approach is broadly aligned with widely recognised frameworks and draws on our main data provider's sub-industry assessment, while remaining tailored to BNPP AM's internal ESG analysis. In particular, certain sectors with similar ESG characteristics may be combined to ensure sufficiently robust and meaningful peer groups. Issuers under coverage are therefore grouped into sector and geographical scoring peer groups, reflecting the view that ESG risks and opportunities are not always comparable across sectors and regions. The framework uses common and sector-specific metrics, with metric selection and weighting tailored to the most material ESG factors for each sector.

An overview of data sources, including whether data is sourced from sustainability statements required under Directive 2013/34/EU or from information disclosed under Regulation (EU) 2019/2088 and whether sources are public or non-public, and an overview of data processes, estimation of input data in case of unavailability and frequency of data updates – Point (c).

Our ESG research analysis and findings are independent and based on a wide variety of sources not limited to ESG data providers. These include the knowledge we gain from participating in various investment forums and communities (the list of our key membership is available here), and our relationships with academic institutions and other aspects of civil society.

We select our ESG data providers using a two-step due diligence process. Our Quantitative Research Group begins by analysing providers' data sets.

This includes examining the coverage of data and its quality, and a statistical review of estimation methodologies, among other items. At the same time, the Sustainability Centre performs a qualitative review of the methodologies used and the relevance of selection criteria.

Our market data team oversees governance related to the relationship with the provider, and as part of this process, we perform an annual review of our market data contracts.

Our external specialised providers and what they offer are as follows:

- Sustainalytics provides us with raw data metrics that we use selectively to feed our ESG scoring model. We also use this provider for preliminary UNGC analysis and controversies offerings.
- Trucost, CDP, Bloomberg, TPI, SBTi and Climate Action100+: we use these data providers for our climate change and physical risk analysis. Bloomberg and Trucost also provide us with Scope 1 and 2 carbon emissions data.
- CDP, Trucost, Forest 500, SPOTT, and Iceberg Data Lab provide us with deforestation and biodiversity metrics we use to assess and report on the biodiversity footprints of our portfolios and holdings.
- ISS, Glasslewis and Proxinvest provide us with their governance research, data to feed our ESG scoring model.
- FactSet provides us with financial and enterprise value data.
- ESG and mainstream brokers provide us with research papers and other market information.

Information on whether and how the rating methodologies are based on scientific evidence – Point (e).

BNPP AM's corporate ESG scoring methodology is grounded in a structured analytical framework that draws on empirical evidence, sector materiality research and recognised market references to identify the most relevant ESG factors for each sector. Metric selection and weighting are based on a combination of materiality, data quality, data availability and differentiation, with a preference for measurable performance indicators over policies or programmes. The methodology is regularly reviewed to reflect evolving sustainability knowledge, data availability and market practices.

Where applicable, reference to the use of artificial intelligence in the data collection or rating process including information about current limitations and risks of using artificial intelligence – Point (k).

As at the date of this disclosure, BNPP AM does not use artificial intelligence in its ESG rating process. However, some external data providers whose inputs may be used, including in relation to certain quantitative data, may themselves rely on artificial intelligence in their own data collection or processing activities.

III. Limitations in data sources, methodologies and information

Any limitation in data sources and methodologies used for the construction of ESG ratings – Point (m).

The construction of BNPP AM's corporate ESG ratings is subject to certain limitations relating to both data sources and methodology. The framework relies primarily on quantitative data sourced from external providers and company disclosures; as with any ESG dataset, coverage, comparability, timeliness and data quality may vary across issuers, sectors and geographies. Where data is unavailable or incomplete, this may limit the assessment of some indicators. From a methodological perspective, scores are calculated on a relative basis within sector and geographical peer groups using a focused set of material metrics. While this supports comparability and reduces noise, it also means scores depend on the availability and relevance of underlying data and on the peer-group approach. Qualitative inputs may also be incorporated through data corrections or overlays to reflect material forward-looking insights or issues not fully captured by the quantitative model; however, these are subject to a strict governance process, are documented, regularly reviewed, and require sign-off by the Sustainability Centre in order to limit subjectivity and bias.

Any limitation on the information available to ESG rating providers – Point (q).

The information available to ESG rating providers may be limited by the availability, completeness, comparability, timeliness and quality of data disclosed by issuers and obtained from external data providers. Coverage may vary across sectors, geographies and indicators, and certain information may be unavailable, estimated or reported with a time lag. These limitations may affect the assessment of some ESG factors.

IV. Organisational Disclosures

The ownership structure of the ESG rating provider – Point (d).

The ultimate parent of the ESG rating provider, BNPP AM, is BNP Paribas group.

General information on criteria used for establishing fees charged to clients, specifying the various elements taken into consideration, and general information on the business/payment model – Point (l).

Not applicable, as we do not provide ESG data provider services externally.

The main risks of conflicts of interest and the steps taken to mitigate them – Point (n).

As an asset manager owned by a large financial institution, BNPP AM can sometimes face potential conflicts between its clients' interests and those of BNPP AM and/or BNP Paribas in specific circumstances:

• Employees being linked personally or professionally with a company assessed.

• Business relations existing between the company assessed and BNPP AM or any other entity of BNP Paribas Group; or

• ESG rating of BNP Paribas or of significant participations or holdings of the BNP Paribas Group.

BNPP AM has deployed adequate policies and framework to prevent, detect and manage any potential conflicts of interest that can arise in the regular course of business among them:

BNPP AM has implemented several principles, mechanisms and decision processes to ensure that conflicts of interest do not influence its activities related to ESG:

• Our ESG scoring methodology follows a robust process designed to limit bias in score determination, relying on quantitative data, while any qualitative input is incorporated through a strict and clearly defined process.

• Employees must comply with BNPP AM's Code of Conduct and declare any outside business activity that might create a (potential) conflict of interest with its professional activity. All employees receive annual training on the relevant policies and must complete annual Compliance certifications when applicable.

• 'Information barriers' between BNPP AM's entities and other BNP Paribas Group entities ensure that BNPP AM employees remain independent and neutral in the exercise of their responsibilities.

Any material conflicts of interest that are identified and cannot be managed adequately trigger an escalation process involving the relevant functions and stakeholders and potential disclosure of such conflicts to related parties. Please refer to our conflict interests' policy available here: Conflict of interests Policy Summary

DISCLAIMER

BNP PARIBAS ASSET MANAGEMENT Europe, “the investment management company”, is a simplified joint stock company with its registered office at 1 boulevard Haussmann 75009 Paris, France, RCS Paris 319 378 832, registered with the “Autorité des marchés financiers” under number GP 96002.

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All information referred to in the present document is available on www.bnpparibas-am.com