



PUBLIC TRANSPARENCY REPORT

2024

BNP Paribas Asset Management

Generated 25-11-2024

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2024 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented. The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

Table of Contents

Module	Page
SENIOR LEADERSHIP STATEMENT (SLS)	4
ORGANISATIONAL OVERVIEW (OO)	8
POLICY, GOVERNANCE AND STRATEGY (PGS)	27
MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)	74
LISTED EQUITY (LE)	90
FIXED INCOME (FI)	101
SUSTAINABILITY OUTCOMES (SO)	114
CONFIDENCE-BUILDING MEASURES (CBM)	154

SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Climate change, growing social inequality and environmental damage caused by human activity can have a severe impact on the performance of companies in which asset management companies invest. To successfully meet today's challenges and ensure a prosperous and sustainable economy for tomorrow, long-term investors have a role to play by using the leverage that their investments and their voices bring to influence companies' practices. At BNP Paribas Asset Management (BNPP AM), we believe that if the financial sector takes better account of social and environmental externalities, it will deliver value to clients while helping to make the global economy more sustainable. BNPP AM takes its share of responsibility in playing a role as a driving force behind this transformation. To achieve this, we work with our clients today to meet tomorrow's challenges and contribute to a more sustainable economic future.

Our approach to sustainability is built on six pillars. Together, this approach strengthens the way we invest, including how we generate investment ideas, construct portfolios, control for risk and engage with companies and markets. It is designed to respond to the diverse needs of our broad client base while protecting their interests.

1.

ESG integration: the process to integrate ESG within our investment strategies is supported by our ESG Integration Guidelines. Our eligible portfolios aim to have a higher weighted average ESG score and a lower carbon footprint than the relevant investment benchmark or universe.

As a result of our robust and consistent approach, 90% of our public open-ended fund range was classified under the new EU Sustainable Finance Disclosure Regulation (SFDR) as Article 8 & 9 funds as of December 2023. Our target is for 90% of the assets of our European-domiciled open-ended funds to incorporate ESG criteria according to the Sustainable Finance Disclosure Regulation (classified as article 8 or 9) by 2025.

2. Stewardship: our Proxy Voting & Governance Principles underpin our voting strategy, leading us to vote against management approximately 30% of the time. We supplement this with determined company engagement (including via collaborative initiatives, for instance Climate Action 100+) and public policy advocacy (for example, in Asia, we are involved in 10 regulatory and public policy groups). Our Voting policy, Stewardship policy and public policy strategy are available here, further describing our commitments: <https://www.bnpparibas-am.com/en/sustainability-documents/>.

3. Responsible Business Conduct and sector-based exclusions: our Responsible Business Conduct policy outlines expectations for company behaviour on key topics such as human rights and the environment, as well as companies' involvement in sensitive sectors. Responsible business conduct is a high priority for us, and we expect all companies to meet their fundamental obligations in human and labour rights, environmental protection and anti-corruption safeguards. We engage with those when they fall short and exclude the worst offenders. We also exclude a number of sectors unacceptably harmful to society and the environment such as tobacco, controversial weapons, unconventional oil and gas, coal or asbestos.

4. Forward-looking perspective – the '3Es': we have embraced our role as a 'future maker', using our influence and our investments to tackle three key issues: Energy transition, Environmental sustainability and Equality & inclusive growth. These themes guide our strategic research, stewardship and thematic investing innovation. For instance, in 2021 we launched a market leading biodiversity roadmap, which details our plan to embed biodiversity considerations across all the pillars of our sustainable investing approach. In 2022 we published our

We published our progress on achieving our net zero commitment in our 2023 Sustainability report.

5. Investment solutions for sustainability: We offer a range of investment solutions with additional sustainability objectives:

- Strategies receiving one or several labels or promoting environmental and/or social characteristics
- Sustainable thematic strategies across multiple asset classes, addressing themes such as climate change and the environment, natural capital, and inclusive growth
- Impact strategies, as covered by our commitment to the Operating Principles for Impact Management (OPIM)

6. CSR (Corporate Social Responsibility): as a sustainable asset manager, fostering a sustainable culture is key to our strategy, we aim for our corporate practices and disclosures to match or exceed the standards we expect from the entities in which we invest.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Sustainability is embedded at the heart of our investment strategy and 2023 turned out to be yet another year of abrupt and profound changes in global financial markets. Throughout last year's turbulence, we navigated these challenges in a frequently volatile market environment to generate the best possible performance for the assets we manage on behalf of our clients. Understanding how the transitions our world is facing affect the dynamics of risk-adjusted returns for the assets we are investing in is key to delivering long-term sustainable returns for our clients.

As long-term investors with our clients' interests at heart, a core part of our strategy involves using our voice and our influence to push towards more sustainable outcomes for the companies and markets in which we invest.

2023 was no exception. We are excited about the many projects we worked on, whether helping clients to reposition their portfolios for net zero, engaging policymakers or helping to establish a new collaborative initiative focus on nature.

Finally, our strategy looks inward, exploring how we can continue to support our teams with training on sustainability, communicate clearly to clients about our sustainability activities, and evolve our state-of-the-art Environmental, Social and Governance (ESG) data and research platform.

We are pleased to see growing industry recognition for our work, from being ranked first in the study 'Fulfilling the Promise' conducted by Majority Action to ranking 2nd among the world's 77 largest asset managers across responsible investment themes in ShareAction's 'Point of No Returns report', to receiving numerous awards such as the best ESG ETF provider by ESG Investing.

Over the last 12 months, we reinforced our positioning as 'The sustainable asset manager for a changing world' and marked several achievements:

- We grew our Environmental, Social and Governance (ESG) fund range, with a focus on ESG fixed income exchange-traded funds (ETFs).
- We updated our Global Sustainability Strategy, which describes how we will work towards our ambition of being even more transparent and science-led in our approach to sustainability.
- We updated and defined targets and objectives across our focus areas, the 3 'E's – healthy Ecosystems, Energy transition and Equality.
- We helped to formally launch Nature Action 100, and unveiled a list of 100 companies in key sectors, in which 190 institutional investor participants – representing \$23.6 trillion in assets under management or advice – will engage. We continue to support and drive the initiative by serving on the steering committee.
- We quantitatively assessed the exposure of our corporate holdings to potential deforestation and conversion of natural ecosystems through corporate production and consumption of forest and ecosystem-risk commodities (FERCs), publishing our findings in the paper titled Exploring the Roots of our Exposure to Deforestation, which can be found at <https://docfinder.bnpparibas-am.com/api/files/3F133AE1-6792-438F-8786-2D3C39D04D35>
- To meet the needs of investors who are increasing their allocations to sustainable private investment strategies, we decided to broaden our private markets investment platform by acquiring leading Danish natural resources specialist International Woodland Company.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Our 2022-2025 ambitions are the following:

In the near term:

- Continue to invest in our sustainable culture: We have made significant progress in building a sustainability-focused culture within and throughout our firm, and it will remain a top priority as it is now embedded in our Employee Value Proposition.

o E.g. We work with the CFA Institute to support industry training and education. BNPP AM and the CFA Institute launched an e-learning primer to build ESG skills and increase sustainability knowledge and awareness. This is part of an ongoing partnership with the CFA institute that started with the award-winning Sustainable Investing Gameshow.

The e-learning module is available to BNPP AM's clients and staff, and was jointly developed with CFA Institute.

- Maintain our Bold stewardship Approach: Over many years, we have seen tangible results from our bold stewardship strategy. We strive to build our position as a stewardship leader with robust and credible policies and outcomes, including our work on policy advocacy. We will continue along this path – engaging directly, and in collaboration with other investors – across a range of topics, and reporting our results E.g.

Our Governance and Voting Policy underpins our strategy, leading us to vote against management about 30% of the time. Our voting covers more than 90% of our holdings by value each year and we vote at around 1,900 annual general meetings (AGMs). We modified our policy to use our voting rights to help achieve our climate change, biodiversity & diversity commitments. We have a strong 90% average support to climate change proposals and each year we file shareholder proposals on climate lobbying.

- Produce Science-led and transparent Research: We draw on robust scientific and academic models and frameworks to inform our thinking, underpinned by strong data and control processes.

We strive to be both science-based and transparent in our approach, partnering with multiple stakeholders to push towards common frameworks and progress on shared goals. We will deepen our relationship with academia, for example the academic network GRASFI (the Global Research Alliance for Sustainable Finance and Investment), to support this objective.

o E.g. We continue to implement our ESG Data Programme to support effectively developing and deploying our various research methodologies. Through this programme we are developing robust internal capabilities to clean and manipulate data that can be used to support investment analysis, portfolio construction and measurement and reporting.

The functional relationship between our Sustainability Centre, Quantitative Research Group, Digital and IT teams is critical to our ability to develop and maintain our proprietary and third-party ESG datasets and deliver the results to our investment teams, clients and regulators.

In the mid-term:

- Drive sustainability in emerging markets:: Use our large and growing presence in Emerging markets/Asia as a positive force towards achieving a net zero, sustainable and equitable transformation in the global economy.
- Achieve a tangible impact: : A growing number of our clients seek to invest for impact.

We strive to help them achieve this by: 1. Offering individual investment strategies on impact investing 2. Improving the outcome and impact measurement of our broader range of strategies 3. The way we measure and take responsibility for our own impact as a firm, for example, by using research programmes to explore our firm-wide impact on biodiversity loss and deforestation

Some of our internal priorities:

- ESG Data Program: Ensure high quality, multifaceted data (ESG Scores, carbon, SFDR indicators, SDGs, etc.) is available to meet the range of use cases (measurement and regulatory alignment, external reporting (fund and firm-wide), product development, custom client solutions etc).

o E.g. We recently launched our proprietary Sustainable Development Goals (SDG) scoring framework. Similar to our approach around ESG scoring, we wanted more insight into the SDG performance of researched companies than we could obtain from off-the-shelf third-party data solutions. The SDG framework embedded in our SDG model provides granularity at the SDG Target level and assesses the alignment or misalignment of company revenues at the business line or activity level.

This information informs our Sustainable Investment determination, which is critical for Article 9 portfolio construction and security selection.

- Education: continue to roll out our Sustainability Academy @AM and develop learning programs within our BNPP AM Investment Academy. We are pleased with the level of uptake of the training strategy with employees spending on average 4 hours and 37 minutes on internal sustainability-related training in 2023. We are also rolling out the Climate Fresk and Biodiversity Fresk workshops globally. In total, 461 employees have participated in the workshops as of end 2023.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Jane Ambachtsheer

Position

Global Head of Sustainability

Organisation's Name

BNP Paribas Asset Management

☒ A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

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ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2023

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- ☒ (A) Yes
☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- ☐ (A) Yes
☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 595,977,000,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 116,102,000,000.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	19.8%	4.88%
(B) Fixed income	51.37%	1.01%
(C) Private equity	0.03%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	21.04%	1.87%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

Balanced, Alternatives and Convertible Bonds

(I) Other - (2) Percentage of Externally managed AUM - Specify:

Balanced, Alternatives and Convertible Bonds

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	100%	0%	100%	0%	0%
(B) Passive	0%	0%	0%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	14.03%	85.97%
(C) Fixed income - active	71.85%	28.15%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity 38.58%

(B) Active – quantitative 9.78%

(C) Active – fundamental 51.64%

(D) Other strategies 0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA 0%

(B) Passive – corporate 6.11%

(C) Active – SSA 68.9%

(D) Active – corporate 19.69%

(E) Securitised 1.89%

(F) Private debt 3.41%

ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed private equity	GENERAL

Provide a further breakdown of your internally managed private equity AUM.

(A) Venture capital 38.4%

(B) Growth capital 0%

(C) (Leveraged) buy-out 0%

(D) Distressed, turnaround or
special situations 0%

(E) Secondaries 0%

(F) Other 61.6%

(F) Other - Specify:

Other assets are in private equity and private debt fund of funds.

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

100%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%
(D) Fixed income – securitised	(1) 0%
(E) Fixed income – private debt	(1) 0%
(F) Private equity	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive	(5) Private equity	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active (10) >80 to 90%

(B) Listed equity - passive (10) >80 to 90%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(A) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Fixed income - securitised	<input checked="" type="radio"/>	<input type="radio"/>

(H) Fixed income - private debt	<input checked="" type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Balanced, Alternatives and Convertible Bonds	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Balanced, Alternatives and Convertible Bonds	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Balanced, Alternatives and Convertible Bonds	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Balanced, Alternatives and Convertible Bonds	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(C) Other

We apply the following ESG integration process:

Idea generation: Proprietary screening for companies with a combination of sustainable quality, business momentum and valuation

Step 1. Idea generation:

Exclusion list

All stocks specified by the Sustainability Centre and/or specified by regulators and clients

Step 2: stock selection

- ESG scores are monitored through Aladdin and ZOOM
- ESG section written in each investment case

Step 3: Portfolio Construction and risk management

The main difference between Convertibles and Listed Equities approach for ESG integration is that:

1. although there is an absolute ESG score check when selecting convertible bonds, it is not the main driver for convertible bond selection.

Whereas for active stock-picking strategies, in “step 2: stock selection” an ESG section is written for each investment case (See below).

2. Portfolio construction and BTB/BBTIU rule (better-than-benchmark or better-than-investment-universe) is main driver for to construct portfolios with more positive ESG characteristics than their respective benchmarks/investment universe.

Externally managed
(F) Other

We incorporate ESG factors in the selection of external fund managers and in the selection of funds for the Delegated Solutions buylists. Our objective is to invest as far as possible in SFDR Art. 8 & 9 / AMF Cat. 1 & 2, and other products with high ESG standards according to our internal metrics.

Delegated Solution has developed since 2013 a proprietary extra-financial/ESG analysis process for external funds within its scope. The proprietary extra-financial analysis process developed within Delegated Solutions consists of three interrelated and complementary components.

The first is a quantitative ESG analysis of the external funds' portfolios. This analysis is done by looking through portfolios. This process is made possible by the Solutions Department's expertise in data analysis, coupled with proprietary ESG data made available by the Sustainability Centre of the BNPPAM group.

Thus, the team calculates a set of relevant indicators to understand the ESG profile of the fund. These indicators include: the ESG score, the proportion of the fund corresponding to “sustainable investment” or “aligned with the EU Taxonomy”, the carbon footprint or the contribution to the UN Sustainable Development Goals (SDGs). Several of these indicators are then combined to give an overall rating to the fund, ranging from 0 to 10.

The second part is a qualitative analysis of the degree of involvement of the Investment Management firm into Responsible Investment. The analysis consists in around 30 qualitative criteria covering topics like Sustainable investment policies, Proxy voting and Shareholder Engagement. These 30 criteria are examined via documents sent by the management companies and then discussed during interviews with the ESG teams of these management companies. A score from 0 to 10 is awarded based on the management company's performance on each criterion.

The third component is a greenwashing risk analysis.

This includes all reputational risks related to non-compliance with good practices and regulations on sustainable finance. The analysis is mainly qualitative. It is performed by analysts in the Risk Due Diligence (RDD) team. Part of this analysis is to use the results of portfolio look-through (Step 1) to verify that the funds have made investments that comply with the commitments described in their prospectuses. If a risk is suspected, the matter is communicated to the external Investment Firm and, without a positive response, the fund would have to leave the recommendation list.

We believe that this proprietary analysis developed by Delegated Solutions has two major strengths:

- A 360 degree view: qualitative and quantitative analyses reinforce each other and do not neglect any important aspect of Responsible Investment.
- At the forefront of Responsible Investment: being in regular contact with +50 of the most advanced ESG investment firms globally, Delegated Solutions developed a sophisticated knowledge of the Responsible Investment market which translates into insightful qualitative research.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	10.13%
(B) Thematic alone	0%
(C) Integration alone	18.86%
(D) Screening and integration	42.87%
(E) Thematic and integration	0%
(F) Screening and thematic	0%

(G) All three approaches combined 3.34%

(H) None 24.8%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only

0%

(B) Negative screening only

23.91%

(C) A combination of screening approaches

76.09%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA

(2) Fixed income - corporate

(3) Fixed income - securitised

(A) Screening alone

11.79%

27.75%

0%

(B) Thematic alone

0%

0%

0%

(C) Integration alone

1.56%

21.69%

0%

(D) Screening and integration

76.07%

19.52%

23.93%

(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	1.02%	1.6%	0%
(H) None	9.56%	29.44%	76.07%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	14.41%	59.63%	0%
(C) A combination of screening approaches	85.59%	40.37%	100%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

☒ **(A) Yes, we market products and/or funds as ESG and/or sustainable**

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

52.61%

- ☐ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- ☐ (C) Not applicable; we do not offer products or funds

Additional information: (Voluntary)

As of end 2023, 52.61 of our AUM were Article 8 (Promoting environmental and/or social characteristics, for example having an ESG score better than investment universe); receiving one or several labels (delivered by independent organisations, such as 'Label ISR' in France); or Article 9 (having a sustainable investment objective, for example sustainable thematic strategies)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

☒ **(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications**

Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

25.84%

☐ (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

- ☐ (A) Commodity type label (e.g. BCI)
- ☐ (B) GRESB
- ☒ **(C) Austrian Ecolabel (UZ49)**
- ☐ (D) B Corporation
- ☐ (E) BREEAM
- ☐ (F) CBI Climate Bonds Standard
- ☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- ☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- ☐ (I) EU Ecolabel
- ☐ (J) EU Green Bond Standard
- ☒ **(K) Febelfin label (Belgium)**
- ☒ **(L) Finansol**
- ☒ **(M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)**
- ☒ **(N) Greenfin label (France)**
- ☐ (O) Grüner Pfandbrief
- ☐ (P) ICMA Green Bond Principles
- ☐ (Q) ICMA Social Bonds Principles
- ☐ (R) ICMA Sustainability Bonds Principles
- ☐ (S) ICMA Sustainability-linked Bonds Principles
- ☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
- ☒ **(U) Le label ISR (French government SRI label)**
- ☐ (V) Luxflag Climate Finance
- ☒ **(W) Luxflag Environment**
- ☒ **(X) Luxflag ESG**
- ☐ (Y) Luxflag Green Bond
- ☐ (Z) Luxflag Microfinance
- ☐ (AA) Luxflag Sustainable Insurance Products
- ☐ (AB) National stewardship code
- ☐ (AC) Nordic Swan Ecolabel

- ☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- ☐ (AE) People's Bank of China green bond guidelines
- ☐ (AF) RIAA (Australia)
- ☒ **(AG) Towards Sustainability label (Belgium)**
- ☐ (AH) Other

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive 72.1%

(B) Fixed income - passive 94.2%

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

Percentage of your total environmental and/or social thematic bonds labelled by the issuers

(A) Green or climate bonds 80.83%

(B) Social bonds 6.13%

(C) Sustainability bonds 13.04%

(D) Sustainability-linked bonds 0%

(E) SDG or SDG-linked bonds 0%

(F) Other 0%

(G) Bonds not labelled by the issuer 0%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(A) Listed equity – passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) Listed equity – active – quantitative	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(G) Fixed income – securitised	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(H) Fixed income – private debt	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(I) Private equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

(T) External manager selection,
appointment and monitoring (SAM)
– listed equity - active



(V) External manager selection,
appointment and monitoring (SAM)
– fixed income - active



SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☒ (A) Publish as absolute numbers
- ☐ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Guidelines on sustainability outcomes
- ☒ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☒ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☐ (M) Other responsible investment elements not listed here
 - ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☒ (C) Specific guidelines on other systematic sustainability issues

Specify:

Biodiversity
- ☐ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(B) Guidelines on environmental factors**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(C) Guidelines on social factors**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(D) Guidelines on governance factors**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(E) Guidelines on sustainability outcomes**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/F5EE3377-26CE-4DFD-B770-DBD29323D78B>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/4b10d1ad-901d-4bbe-8a7c-007ad48c450e>

☒ **(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/940B42EF-AFFF-4C89-8C32-D9BFBA72BF24>

☒ **(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/517E383E-5094-4908-A7CB-A0C0795C0288>

☒ **(J) Guidelines on exclusions**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/D8E2B165-C94F-413E-BE2E-154B83BD4E9B>

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/c0ba61da-9b99-4567-84af-8b6ac312fa67>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/c0ba61da-9b99-4567-84af-8b6ac312fa67>

☒ **(M) Stewardship: Guidelines on overall political engagement**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/c0ba61da-9b99-4567-84af-8b6ac312fa67>

☒ **(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/c0ba61da-9b99-4567-84af-8b6ac312fa67>

☒ **(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://docfinder.bnpparibas-am.com/api/files/bc3ebf85-65ee-4a8f-8260-c146fb5960e1>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

☒ **(A) Yes**

Elaborate:

One of our sustainable investing beliefs is that our fiduciary duty is aligned with sustainable investing. We have a duty to our clients to make well-informed investment decisions, taking reputational, operational and financial risks into careful consideration. ESG factors are a key element of this.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- ☒ **(A) Overall stewardship objectives**
- ☒ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
- ☒ **(C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts**
- ☒ **(D) How different stewardship tools and activities are used across the organisation**
- ☒ **(E) Approach to escalation in stewardship**
- ☒ **(F) Approach to collaboration in stewardship**
- ☒ **(G) Conflicts of interest related to stewardship**
- ☒ **(H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa**
- ☐ **(I) Other**
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- ☒ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- ☒ (B) Yes, it includes voting principles and/or guidelines on specific social factors
- ☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- ☐ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- ☒ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme

Add link(s):

<https://www.bnpparibas-am.com/en/sustainability-bnpp-am/sustainability-documents/>

- ☐ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- ☐ (C) We rely on the policy of our external service provider(s)
- ☐ (D) We do not have a policy to address (proxy) voting in our securities lending programme
- ☐ (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	
(B) Guidelines on environmental factors	(7) 100%
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change	(2) for a majority of our AUM
(B) Specific guidelines on human rights	(2) for a majority of our AUM
(C) Specific guidelines on other systematic sustainability issues	(2) for a majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ **(A) Listed equity**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ **(10) >90% to <100%**
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For certain externally managed funds, stewardship may be carried out in accordance to the stewardship approach and policy of the external fund manager.

☒ **(B) Fixed income**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ **(10) >90% to <100%**
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For certain externally managed funds, stewardship may be carried out in accordance to the stewardship approach and policy of the external fund manager.

☐ **(C) Private equity**

☒ **(I) Other**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ **(10) >90% to <100%**
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For certain externally managed funds, stewardship may be carried out in accordance to the stewardship approach and policy of the external fund manager.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☒ (A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ (10) >90% to <100%
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For joint ventures or externally managed funds, voting may be conducted in line with the voting policy of the external manager. We may also vote in line the the voting and requirements and expectations defined by the client in some cases.

☒ (B) Passively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ (10) >90% to <100%
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For joint ventures or externally managed funds, voting may be conducted in line with the voting policy of the external manager. We may also vote in line the the voting and requirements and expectations defined by the client in some cases.

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- ☒ (A) Board members, trustees, or equivalent
☒ (B) Senior executive-level staff, or equivalent

Specify:

CEO (Chair), Global Head of Investments, Head of Global Client Group, Global Head of HR, Global Head of Finance, Strategy and Participations, Global Head of Product and Strategic Marketing, COO, Global Head of Sustainability

- ☒ (C) Investment committee, or equivalent

Specify:

Global Head of Investments (Chair), CIOs of each Investment division, Global Head of Sustainability, Head of Global Trading Function, Head of Macro Research, Chief of Staff to the Global Head of Investments

- ☐ (D) Head of department, or equivalent

- ☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

☒ (A) Yes

Describe how you do this:

Our Stewardship Policy, (last updated and published 2024), has a dedicated section for Public Policy Advocacy and is approved and monitored by the Stewardship Committee CEO. Our approach to sustainability includes a strong commitment to proactive engagement with corporate and other issuers, and engagement with public policy makers. This document describes (1) our core commitment to public policy engagement related to our sustainability goals, (2) our key policy advocacy objectives for the sustainability agenda, and (3) our advocacy approach, governance and partners.

We conduct public policy engagements individually, but also undertake engagements in partnership with other investors, in formal or informal networks.

A list of the key organisations and networks that help us advance our public policy advocacy objectives is included in our Stewardship policy. We pursue our public policy objectives in a transparent manner, with a sufficient degree of specificity to inform our clients and relevant stakeholders of the positions we are taking. All our public policy work will be undertaken in compliance with BNP Paribas' Charter for Responsible Representation with respect to the Public Authorities, available at: <https://group.bnpparibas/en/charter-responsible-representation-respect-public-authorities>. We aim to review our public policy and corporate engagement strategies once a year and we publish additional information on our website and in regulatory filings.

- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

The BNPP AM Executive Committee maintains strategic oversight of our approach to responsible investment, which is implemented and carried out by all BNPP AM business lines. The Sustainability Committee meets quarterly to oversee and validate the responsible policies and commitments and is composed of key CIOs, Sales and control functions in addition to the Executive Committee.

☒ **(B) External investment managers, service providers, or other external partners or suppliers**

Specify:

Our fund selection has oversight of external managers, and our dedicated procurement team oversees suppliers

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

☒ **(A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Describe: (Voluntary)

BNPP AM's main boards (of the holding and France) include in their oversight duties, the effective implementation of BNPP AM sustainability strategy and the attainment of the corresponding performance targets as measured by relevant KPIs. In addition, at BNPP AM boards' inner organization level, certain sustainability KPIs are implemented, such as gender diversity and trainings (including notably, on sustainability matters).

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

● (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

● (1) KPIs are linked to compensation

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

Where relevant, Executive Committee members have goals related to the successful implementation of BNPP AM's Global Sustainability Strategy and the integration of sustainability risks throughout our investment processes and stewardship activities.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="radio"/>	<input type="radio"/>

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☒ (G) Human rights-related commitments
- ☒ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☒ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☒ (A) Yes, including all governance-related recommended disclosures
- ☒ (B) Yes, including all strategy-related recommended disclosures
- ☒ (C) Yes, including all risk management-related recommended disclosures
- ☒ (D) Yes, including all applicable metrics and targets-related recommended disclosures
- ☐ (E) None of the above

Add link(s):

<https://docfinder.bnpparibas-am.com/api/files/f25fbc8f-d674-419f-93ca-78f1fa3a3ca5>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☒ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

<https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF>

☒ **(B) Disclosures against the European Union's Taxonomy**

Link to example of public disclosures

<https://docfinder.bnpparibas-am.com/api/files/0EE37EC2-8612-48A5-8AA1-D5C09CCB58DD>

☐ **(C) Disclosures against the CFA's ESG Disclosures Standard**

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

Article 29 Energy Climate Law

Link to example of public disclosures

<https://docfinder.bnpparibas-am.com/api/files/d7877194-bc40-44ed-afa9-57bc17c81a01>

☒ **(E) Disclosures against other international standards, frameworks or regulations**

Specify:

Impact Principles Disclosure Statement

Link to example of public disclosures

<https://docfinder.bnpparibas-am.com/api/files/E5A91767-0D43-4F45-B34A-217F78537A81>

☒ **(F) Disclosures against other international standards, frameworks or regulations**

Specify:

Shareholder Rights Directive II

Link to example of public disclosures

<https://www.bnpparibas-am.com/en/shareholder-rights-directive-ii/>

☐ **(G) Disclosures against other international standards, frameworks or regulations**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

☒ (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://docfinder.bnpparibas-am.com/api/files/f25fbc8f-d674-419f-93ca-78f1fa3a3ca5>

☐ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☐ (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services

☒ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries

☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact

☒ (D) Exclusions based on our organisation's climate change commitments

☐ (E) Other elements

☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

☐ (1) for all of our AUM subject to strategic asset allocation

☒ (2) for a majority of our AUM subject to strategic asset allocation

- (3) for a minority of our AUM subject to strategic asset allocation
- ☐ (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- ☐ (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- ☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(3) Private equity
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	●	●	●
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

We believe that meaningful engagement with issuers can enhance our investment decisions, and better enable us to successfully manage long-term risk for our clients by promoting strong ESG practices and disclosure at the companies in which we invest on their behalf.

Our engagement priorities and strategies are guided by our Global Sustainability Strategy (GSS), outlining our key firm-wide sustainability priorities.

Our decision to engage with a company is based on two types of consideration – topical and practical:

TOPICAL

- The urgency and severity of the issue;
- The need to clarify or assess a company's performance in an area and/or in relation to our Responsible Business Conduct standards or sector-based policies;
- Consistency with our Global Sustainability Strategy, Corporate Stewardship Strategy and Governance and Voting Principles;
- The company's overall ESG performance
- The role the issuer plays in creating or exacerbating the risk to be addressed (e.g., for a climate change engagement, whether the company is a heavy GHG emitter);
- The importance of the issue for the company and the industry in which the company operates.

PRACTICAL

- The size of our holdings;
- Reasonable access to the company, directly or via our Affiliates or Delegated managers;
- Our judgment as to the likelihood of success; • Needs identified by our partners in collaborative investor engagements, such as the Climate Action 100+, CERES or IIGCC; and
- Our past experience of engagement with the company and the company's degree of responsiveness to the issue.

This can be found in our Stewardship Policy: <https://docfinder.bnpparibas-am.com/api/files/c0ba61da-9b99-4567-84af-8b6ac312fa67>.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

We have two key approaches to engagement: we have bilateral meetings with issuers, and in other cases we work collaboratively with other investors.

Collaboration with other long-term investors and key stakeholders can help us to achieve our common aims, particularly with respect to mitigating systemic risks. We have a long-standing commitment to working with other like-minded investors and to participate in investor networks to learn from our peers and to raise standards. When collective action is likely to enhance our ability to engage with a company, and it is permitted by law and regulation, we will work with other asset managers and asset owners depending on the issue of concern and the alignment of views among the investor group.

We are an active member of formal and informal groups and initiatives internationally that facilitate communication between shareholders and companies on corporate governance and social, ethical and environmental matters. We also engage collectively on matters of public policy. We believe that being an active participant in these discussions is an effective manner to promote well-functioning markets. In the table below, you will find some of the memberships, investor statements and other initiatives we take part in. Participation in these bodies and initiatives keeps us current on systemic and market-wide risks and how they are evolving.

We collaborate extensively with our peers and other industry stakeholders.

We are actively involved in collaborative initiatives around the world.

Our Sustainability Report 2023 (p31 - 33) describes a list of collaborative initiatives of which we were members during 2023. P. 60 (Voting and Engagement section) of our Sustainability Report 2023 also highlights our active involvement in these initiatives. In 2023, through such collective platforms and campaigns where we are a signatory or supporter, we signed more than 2,000 letters to companies (i.e. Business Benchmark on Farm Animal Welfare (BBFAW) and CDP's Non-Disclosure Campaign, IIRC, FAIRR, NA100 and NZEI). In fact, majority of our engagement to drive the energy transition is undertaken through collaborative initiatives (page 56), such as Climate Action 100+ (CA100+) and the Asia Investor Group on Climate Change (AIGCC) Asian Utilities Engagement Programme. Page 77-78 describes 2 such case studies for our activity as the lead or co-lead investor for Climate Action 100+ engagements, with key activities and outcomes for how companies are progressing against the Net Zero Company Benchmark Standards.

We vote proxies solely in our clients' best interests, and those of the ultimate beneficiaries of the funds for which we are responsible.

In executing our proxy voting responsibilities, we seek to develop a generally constructive and positive approach with the boards of companies we invest in, clearly setting out our expectations as a diligent steward of assets, but we will not hesitate to abstain or oppose management, or to support shareholder proposals, when applying our voting guidelines, which are designed to advance the long-term interests of our clients. We use the services of proxy voting providers ISS, which provides voting research and a global voting platform, and Proxinvest, which provides research on French companies. These proxy voting providers are used to help us implement our policies. We do not delegate decision-making authority to them, as BNPP AM will take each voting decision for every shareholder's meeting internally with no outsourcing of the final decision to serve its clients' best interests.

Arrangements with proxy voting providers are reviewed annually. Furthermore, our Governance & Voting Policy is reviewed annually reflecting the evolution of market practices and seeking to strengthen our expectations toward issuers on corporate governance and sustainability practices on a gradual basis and reflecting the lessons as well learnt through direct and collaborative engagements.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**

Select from the list:

- ☒ 1
- ☐ 4

☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**

Select from the list:

- ☒ 3
- ☐ 4

☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**

Select from the list:

- ☐ 4
- ☒ 5

☐ **(D) Informal or unstructured collaborations with investors or other entities**

☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**

Select from the list:

- ☒ 2
- ☐ 4

☐ **(F) We do not use any of these channels**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

We have two key approaches to engagement: we have bilateral meetings with issuers, and in other cases we work collaboratively with other investors.

Collaboration with other long-term investors and key stakeholders can help us to achieve our common aims, particularly with respect to mitigating systemic risks. We have a long-standing commitment to working with other like-minded investors and to participate in investor networks to learn from our peers and to raise standards. When collective action is likely to enhance our ability to engage with a company, and it is permitted by law and regulation, we will work with other asset managers and asset owners depending on the issue of concern and the alignment of views among the investor group.

We are an active member of formal and informal groups and initiatives internationally that facilitate communication between shareholders and companies on corporate governance and social, ethical and environmental matters. We also engage collectively on matters of public policy. We believe that being an active participant in these discussions is an effective manner to promote well-functioning markets. In the table below, you will find some of the memberships, investor statements and other initiatives we take part in. Participation in these bodies and initiatives keeps us current on systemic and market-wide risks and how they are evolving.

We collaborate extensively with our peers and other industry stakeholders.

We are actively involved in collaborative initiatives around the world.

Our Sustainability Report 2023 (p31 - 33) describes a list of collaborative initiatives of which we were members during 2023. P. 60 (Voting and Engagement section) of our Sustainability Report 2023 also highlights our active involvement in these initiatives: We also signed more than 2000 letters sent to companies through collaborative organisations where we are a signatory to or supporter of (i.e.

Business Benchmark on Farm Animal Welfare (BBFAW) and CDP's Non-Disclosure Campaign, IIRC, FAIRR, NA100 and NZEI). In fact, majority of our engagement to drive the energy transition is undertaken through collaborative initiatives (page 56), such as Climate Action 100+ (CA100+) and the Asia Investor Group on Climate Change (AIGCC) Asian Utilities Engagement Programme. Page 77-78 describes 2 such case studies for our activity as the lead or co-lead investor for Climate Action 100 engagements, with key activities and outcomes for how companies are progressing against the Net Zero Company Benchmark Standards

We vote proxies solely in our clients' best interests, and those of the ultimate beneficiaries of the funds for which we are responsible. In executing our proxy voting responsibilities, we seek to develop a generally constructive and positive approach with the boards of companies we invest in, clearly setting out our expectations as a diligent steward of assets, but we will not hesitate to abstain or oppose management, or to support shareholder proposals, when applying our voting guidelines, which are designed to advance the long-term interests of our clients.

We use the services of proxy voting providers ISS, which provides voting research and a global voting platform, and Proxinvest, which provides research on French companies. These proxy voting providers are used to help us implement our policies. We do not delegate decision-making authority to them, as BNPP AM will take each voting decision for every shareholder's meeting internally with no outsourcing of the final decision in order to serve its clients' best interests. Arrangements with proxy voting providers are reviewed annually.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Our Sustainable Investment Beliefs, which can be read in full in our Global Sustainability Strategy (GSS), also encompass the following principles:

- ESG integration can enhance the way we invest
- behaving as a 'universal owner' helps to shape a more sustainable economic future
- our fiduciary duty is aligned with sustainability
- Stewardship is both an opportunity and an obligation
- walking the talk is critical to achieving excellence

Page 3 of our Stewardship Policy: c0ba61da-9b99-4567-84af-8b6ac312fa67 (bnpparibas-am.com)

- We cannot deliver our commitment to clients without undertaking effective voting, engagement and policy advocacy to encourage investee companies to improve
- Meaningful engagement with issuers enhances our investment processes so we can manage long-term risk for our clients by promoting strong ESG practices
- As ESG performance can affect financial performance, our voting and engagement can reduce risk, unlock value and positively impact the world by encouraging the adoption of better corporate practices and transparency
- We exclude companies, sectors or activities that are in violation of international norms, or that cause unacceptable harm to society and/or the environment.

We engage to drive change, but if our engagement is not effective, divestment can be a last resort

- Appropriate and comprehensive corporate disclosure is fundamental to sound investment decision-making
- Collaboration with other long-term investors and stakeholders can help to achieve our common environmental and social aims, particularly when engaging with companies and regulatory bodies
- We have a duty to advocate for policymakers to deliver legislation, regulation and standards that foster sustainable and equitable development, and that address systemic risks and market failures.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☒ (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes

Select from the below list:

☒ (1) in all cases

☐ (2) in a majority of cases

☐ (3) in a minority of cases

☒ (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear

Select from the below list:

☒ (1) in all cases

☐ (2) in a majority of cases

☐ (3) in a minority of cases

☐ (D) We do not review external service providers' voting recommendations

☐ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

☐ (A) We recall all securities for voting on all ballot items

☐ (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting

☐ (C) Other

☐ (D) We do not recall our securities for voting purposes

☒ (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

☒ (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment

☐ (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal

☐ (C) We vote in favour of shareholder resolutions only as an escalation measure

- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- ☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- ☒ (C) **We privately communicated our voting decision to investee companies prior to the AGM/EGM**
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) **Yes, for all (proxy) votes**

Add link(s):

<https://docfinder.bnpparibas-am.com/api/files/2b8834c7-53a2-4e26-b264-0a3b805c196a>
<https://vds.issgovernance.com/vds/#!/MTc3MQ==/>

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) **Within three months of the AGM/EGM**
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(3) for a minority of votes	(2) for a majority of votes
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

(A) Yes, we publicly disclosed the rationale - Add link(s):

<https://docfinder.bnpparibas-am.com/api/files/f25fbc8f-d674-419f-93ca-78f1fa3a3ca5>
<https://docfinder.bnpparibas-am.com/api/files/2b8834c7-53a2-4e26-b264-0a3b805c196a>
<https://vds.issgovernance.com/vds/#/MTc3MQ==/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

Voting rights are exercised on equities for mutual funds, UCITS, AIF, foreign investment funds, mandates and for Employee Investment Funds for which voting rights are delegated to BNPP AM.

We do not vote on 100% of our holdings as it would imply:

- A significant increase of the costs of proxy voting for clients; and
- A need to outsource a greater value added part of the voting activity, which would reduce the qualitative and committed aspects of our voting process.

Our voting scope is made up of companies for which aggregated positions meet one of the three following conditions:

- Represents 90% of our aggregated stock positions
- Represents 0.1% or more of the company's market capitalization
- Ad hoc demand or local market regulations

All stewardship activities related to engagement, monitoring and voting are carried out by BNPP AM staff. BNPP AM does not outsource its stewardship responsibilities' to serve its clients' best interests.

We use the services of proxy voting providers ISS, which provides voting research and a voting platform for all companies, and Proxinvest, which provides research on French companies. These proxy voting providers are used to help us implement our policies. We do not delegate decision-making authority to them, as BNPP AM will take each voting decision for every shareholder's meeting internally with no outsourcing of the final decision to serve its clients' best interests.

For all eligible meetings and vote items, BNPP AM has implemented an internal tracking tool to ensure all eligible vote items are allocated to BNPP AM staff and fully voted before the appropriate cut-off dates.

After completion of each vote, staff records and stores a copy of vote confirmation reports in our archive.

We receive a report from our voting platform indicating if a vote has been rejected. If the AGM has not passed yet, we will try to solve the rejection and get our votes passed. If the information is provided after the vote, we will try to solve the issue for the future (e.g. setup Power Of Attorney that are missing, discussion with sub-custodians...). We also conduct public policy work with regulators to push for some changes that affect the voting chain.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input checked="" type="checkbox"/>
(C) Publicly engaging the entity, e.g. signing an open letter	<input checked="" type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input checked="" type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>
(G) Litigation	<input checked="" type="checkbox"/>
(H) Other	<input type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☒ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☒ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) Not investing
- ☒ (D) Reducing exposure to the investee entity
- ☒ (E) Divesting
- ☒ (F) Litigation
- ☐ (G) Other
- ☐ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☒ (A) Yes, we engaged with policy makers directly
- ☒ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☒ (A) We participated in 'sign-on' letters
 - ☒ (B) We responded to policy consultations
 - ☒ (C) We provided technical input via government- or regulator-backed working groups
- Describe:

Our approaches include: • Public submissions to legislators, regulators and multilateral institutions, e.g., responding to public consultations; • Participation in the development of policy proposals in public and private fora, such as technical advisory committees and investor associations; • Meetings with policymakers; • Publication of white papers; and • Endorsement of public statements and commitments developed by investor and other stakeholder initiatives.

We participate actively in several trade associations through their dedicated committees and working groups on sustainable finance and stewardship. We have long-established memberships in many national associations such as Association Française de la Gestion Financière (AFG, France), Association of the Luxembourg Fund Industry (ALFI, Luxembourg), Belgian Asset Management Association (BEAMA, Belgium) and Assogestioni (Italy), and also at the European level in European Fund and Asset Management Association (EFAMA) and International Capital Market Association (IMCA).

We have contributed to several consultations and calls for evidence during the year.

For example, we participated in Consultations on ESG ratings regulations in Europe and Asia. We contributed to an EFAMA position paper setting out recommendations for EU legislative action. We also participated in the consultation launched by the UK HM Treasury on a regulation for ESG rating providers through a collective position from ICMA'S AMIC. Thirdly, we contributed to ASIFMA's Asset Management Group's response to Hong Kong's SFC's proposed guidance on ESG ratings and data product providers as a member of the ESG committee.

☒ **(D) We engaged policy makers on our own initiative**

Describe:

This year we continued to expand our engagement with sovereign issuers through collaborative initiatives. This form of engagement is designed to complement engagement on specific sovereign issuances, to create national or regional policy environments on a range of sustainability issues

We used the opportunity of our attendance at the PRI Conference in September in Tokyo to host collaborative engagement meetings with Japan's Ministry of Finance (MOF) and Ministry of Economy, Trade and Industry (METI). Members of the PRI-Coordinated Sovereign Engagement on Climate Change, alongside other interested signatories, PRI staff and organisational partners, met with various officials from the two ministries. We introduced the role of sovereign engagement and shared our in-house assessment process on sovereign ESG performance. We also discussed Japan's 'Green Transformation' (GX) Transition Policy and the planned issuance of GX Economic Transition Bonds. While at an early stage in its framework development, we urged policymakers to provide further information regarding use of proceeds for the GX climate transition bonds and underlying assumptions used in policy setting to further assist our investment decisions.

☐ **(E) Other methods**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

☐ (A) We publicly disclosed all our policy positions

☒ **(B) We publicly disclosed details of our engagements with policy makers**

Add link(s):

<https://docfinder.bnpparibas-am.com/api/files/f25fbc8f-d674-419f-93ca-78f1fa3a3ca5>

☐ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Engagement with United Health Group on Gender Diversity

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☒ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

As in other regions and in the run-up to the 2023 proxy voting season, we wrote to a selected group of companies to notify them of the risk that we would vote against their board of directors for inadequate gender diversity, in the hope of securing a commitment to improve it.

We wrote to United Health Group in March 2023 to urge the company to increase the ratio of women to men on its board. The company provided a detailed response noting that when appointing a new independent director, its Governance Committee considers qualified women and racially/ethnically diverse candidates.

The recent appointment of Kristen Gill, an Alphabet executive, brought the percentage of female directors to 33%, an increase of 5% since last year. Further, the lead independent director is female, and the board is 33% racially and ethnically diverse. We therefore supported the director's vote.

(B) Example 2:

Title of stewardship activity:

CDP Non disclosure campaign: Driving greater transparency of companies' impacts on forests and freshwater

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☒ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Understanding and encouraging sustainable management of companies' use of forests and freshwater is dependent on comprehensive and usable disclosure for investors to benchmark companies.

In 2023, we once again participated in the annual CDP Non-Disclosure Campaign designed to encourage companies with big impacts on climate, forests and water to improve their disclosure using the long-established and widely used CDP questionnaires.

In total, 317 companies disclosed via the relevant CDP questionnaires, representing a 20% success rate. The highest success rate was in the Climate disclosure category (20%), followed by Forests and Water security (each at 14%). We also led the engagement with five companies with significant impacts on freshwater within our top holdings. Of those, two submitted the questionnaire, while the three others did not respond to our engagement; we voted against items on the agenda of these three companies' AGMs. We intend to continue our engagement through the CDP NDC campaign in 2024 with a focus on our portfolios' highest impacts.

(C) Example 3:

Title of stewardship activity:

UPS: Paris-aligned Climate Lobbying

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We are working to encourage companies to align their direct and indirect climate lobbying activities (i.e., those conducted by their industry associations) with the temperature goals of the Paris Agreement. In 2022, we co-filed a shareholder proposal at the AGM of United Parcel Service (UPS) with Mercy Investment Services, requesting that the company publish its first climate lobbying report. As discussions with the company did not appear to be making progress during the remainder of the year, we resubmitted the proposal for the 2023 proxy season. We had further discussions with the company in early January; the tone of the conversation was far more constructive. In late January, we reached agreement with UPS to publish its first climate lobbying report, no later than the second quarter of 2024. In exchange, we withdrew the shareholder proposal and, due to the timing, agreed not to resubmit the proposal for next year.

(D) Example 4:

Title of stewardship activity:

- (1) Led by
- (1) Internally led
 - (2) External service provider led
 - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
- ☒ (1) Environmental factors
 - ☐ (2) Social factors
 - ☐ (3) Governance factors
- (3) Asset class(es)
- ☒ (1) Listed equity
 - ☒ (2) Fixed income
 - ☐ (3) Private equity
 - ☐ (4) Real estate
 - ☐ (5) Infrastructure
 - ☐ (6) Hedge funds
 - ☐ (7) Forestry
 - ☐ (8) Farmland
 - ☐ (9) Other
- (4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We helped to launch a collaborative investor engagement initiative to initially engage with the 100 companies most systemically important to achieving the global goal of reversing nature loss by 2030. As of the end of November 2023, more than 200 institutional investors from around the world, managing or advising more than \$27 trillion, had agreed to participate, and by the end of the fourth quarter, investor engagement teams had been formed. From now on, we will be participating in engagement with Archer-Daniels-Midland Company (ADM), Conagra Brands Inc., Danone, General Mills Inc., The Home Depot, McDonald's Corporation, Sime Darby Plantation and Solvay. We were also pleased to take the role of co-Chair of the NA100 Steering Group.

(E) Example 5:

Title of stewardship activity:

- (1) Led by
- (1) Internally led
 - (2) External service provider led
 - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
- ☐ (1) Environmental factors
 - ☐ (2) Social factors
 - ☐ (3) Governance factors
- (3) Asset class(es)
- ☐ (1) Listed equity
 - ☐ (2) Fixed income
 - ☐ (3) Private equity
 - ☐ (4) Real estate
 - ☐ (5) Infrastructure
 - ☐ (6) Hedge funds
 - ☐ (7) Forestry
 - ☐ (8) Farmland
 - ☐ (9) Other
- (4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

We have identified climate related risks and opportunities for our investments across asset classes, sectors and regions. We believe our investments can be exposed to transition risks as well as physical climate related risks, for example operational disruptions due to extreme temperature or lack of water availability due to water stress for thermal power producers. Regarding transition risks, we believe that companies not able to transition away from the current fossil-fuel-based business models are at risks of being stranded.

Our proprietary ESG scoring model scores companies on environmental, social and governance pillars, including a component of climate-related risk assessment.

Our assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable across sectors and regions. Though we also include in the model consideration of absolute scope 1+2 carbon emissions which is not sector relative. Some physical climate risks factors are considered and integrated into BNPP AM's ESG scoring model under the theme "climate change" with specific indicators weighted depending on the sectors.

In addition to proprietary quantitative analysis, our understanding of issuers is also enhanced by information from third-party sources, our Sustainability Centre's in-depth research on material issues (e.g., climate change) and our investment teams' knowledge and interaction with issuers.

Our Responsible Business Conduct (RBC) policy has been set to avoid reputational, regulatory and stranded asset risks. Notably, our decision to include a specific coal policy and exclusion of unconventional oil and gas in our RBC responds to the need to manage the risk of fossil-fuel assets becoming stranded in a strong climate-change mitigation scenario.

For sovereigns, we monitor transition and low carbon risks, in the assessment of temperatures of country carbon pledges. We have developed a climate model that aims to assess the commitment of each country to the goals of the Paris Agreement, comparing a 2°C compatible emissions budget for each country by 2030 and their expected emissions given their Nationally Determined Contributions (NDCs). We also monitor physical risks in the ESG scoring of sovereigns.

We identify the following climate-related opportunities that are likely to unfold under a range of climate scenarios:

1. There is now a virtuous loop between policy (the global agreement on climate change ratified by 195 countries in Paris) and technology.

There is also an increasing trend towards renewable energy competitiveness, and energy storage is fast coming down the track. As renewable and clean energy generally become more competitive economically, it makes it much easier for politicians and policy makers to set even more ambitious targets, creating a virtuous loop between policy and technology. The role of investors is also important; they have seen the change coming in the market caused by this virtuous feedback loop around technology, policy and climate change, and that gives us our second opportunity.

2. Investors tend to screen their portfolios to exclude companies that face the risk of ending up on the wrong side of the energy transition.

They are more likely to tilt towards companies that offer opportunities in a world where, increasingly, there will be a need to take into account the price of carbon emissions, clean air, pollution reduction and energy consumption, thereby boosting energy efficiency. The energy & utilities sectors are the most affected by these changes in investor's perception. In Europe for example, we see increasing investment in research and development in the renewable energy sector and the topic is now mainstream.

3. It is not only the energy sector that represents opportunities for investors.

Now that the transition has begun, we need to focus on the likely winners and losers across different sectors and different climate outcomes and this is the third opportunity we have identified. We are in the early stages of working on physical climate risk assessment methods, to be able to identify what companies are most and least exposed to these risks so that we can make better-informed investment decisions and protect the value of our clients' portfolios.

☒ (B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

The main climate-related financial risks that we have identified by theme in our ESG scoring model also present risks beyond investment time horizon: climate change, environmental risk management, use of natural resources, emissions and waste, except for the environmental incidents that are short term risks. The in-depth research of the Sustainability Centre on different sectors also covers long term climate-related financial risks.

Our decision to include a specific coal policy to our Responsible Business Conduct policy responds to the need to manage the risk of fossil-fuel assets becoming stranded in a strong climate-change mitigation scenario. It is a risk that goes beyond our investment time horizon for some geographies but that has already materialised in Europe. This is why companies that do not have a strategy to exit from thermal coal activities by 2030 in European Union and OECD countries and by 2040 for the rest of the world will be excluded. In addition, we will systematically exclude any power generators that still have coal capacity in their generation mix in 2030 in European Union and OECD countries, and by 2040 for the rest of the world. BNPP AM acknowledges the importance of encouraging companies to reduce their dependence on coal mining and coal-fired power generation in order to align their activities with the Paris Agreement. Miners and power generators that do not meet the above criteria but make credible commitments to reducing their coal-based activities to levels consistent with the Paris Agreement may be added to a monitoring list. Companies on the monitoring list will be expected to demonstrate a commitment to this policy within two years, but this compliance window will not go beyond the 2030/2040 cut off. No exemptions will be made for companies that develop either new thermal coal mining or power capacity. In the medium to long term we believe Oil & Gas producers not able to transition or diversify away from their traditional extractive business model face a risk of being stranded. This risk will materialised in the coming years. We believe other long term risks like those that are impacted by physical climate change – water crises, biodiversity depletion and deforestation – will impact our investments and we have therefore identified those in our Global Sustainability Strategy.

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

● (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

We believe a shift to a low-carbon, more sustainable economy is essential for the long-term sustainability of capital markets. Accordingly, in 2015, BNP Paribas Asset Management (BNPP AM) committed to contribute to the achievement of the Paris Agreement goals and we have been contributing to the fight against climate change for several years. Hence, climate-related risks and opportunities are integrated in BNPP AM's investments strategies. The key pillars of our approach to sustainability (defined in SLS 1) guides our organisation's investment strategy, products and financial planning. All of these pillars integrate climate-related risks and are governed by robust policies and implemented across our portfolios.

In 2021 BNPP AM decided to raise its climate ambition by committing to the goal of achieving net zero portfolio emissions by 2050 (or sooner). In 2022, we published our Net Zero roadmap introducing our Net zero commitments covering three areas: Investments (portfolio alignment), stewardship and our operations. As a starting point, 50% of BNP Paribas AM's global assets under management (AuM) were within the scope of this commitment, representing the holdings for which we consider we had, the tools, the data and the ability to achieve net zero portfolio emissions by 2050. This was calculated by focusing on funds in our range, which are currently Article 8 or Article 9 under SFDR.

These funds have adopted our better-than-benchmark (BTB) rule for ESG as a compliance target and also apply our RBC policy; both of these will be important levers for achieving our NZ commitment over time. It additionally includes Article 6 funds and mandates which have adopted our RBC (Responsible Business Conduct) policy. For in-scope AuM, we committed to:

- 1) Reduce the carbon footprint of investments (scope 1 and 2) by 30% by 2025 and 50% by 2030 (versus 2019)
- 2) Align 60% of investments with net zero 'AAA' by 2030 and all investments by 2040 (using our NZ Achieving, Aligned and Aligning (NZ:AAA) framework as set out in our Net Zero Roadmap, linked below)

- 3) Exit coal related investment by 2030 for EU and OECD countries and 2040 for the rest of the world
- 4) Increase investments in climate and environmentally themed solutions
- 5) Partner with our clients on their net zero journey
- 6) Vote for climate action
- 7) Engage companies on net zero
- 8) Advocate for net zero aligned climate policy
- 9) Reduce our operational footprint
- 10) Report on progress by producing a TCFD aligned reporting by both contributing to the BNPP Paribas Group TCFD report and including a TCFD aligned section in our annual Sustainability report.

We published our progress on achieving our net zero commitment in our 2023 Sustainability report.

For more information on how climate related risks and opportunities are integrated into our overall investment strategy, financial planning and products please refer to our Net Zero Road Map that detailed our net zero commitment across the 6 pillars of our sustainability approach: <https://docfinder.bnpparibas-am.com/api/files/F5EE3377-26CE-4DFD-B770-DBD29323D78B>.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☒ (A) Coal

Describe your strategy:

Our ESG Integration and Stewardship strategy address the coal sector through research and engagement. Examples are described in BNPP AM Sustainability Report.

Our Responsible Business Conduct address the thermal coal sector through exclusions:

Thermal-coal mining exclusions:

BNPP AM will exclude mining companies that meet any of the following criteria:

- are developing or planning to develop thermal coal extraction capacities (new mines or expansion of existing ones)
- derive more than 10% of their revenues from the mining of thermal coal

- produce more than 10 million tonnes of thermal-coal per year
- do not have a strategy to exit from thermal coal activities by 2030 in European Union and OECD countries and by 2040 for the rest of the world.

Electricity production exclusions:

BNPP AM will exclude all power generators that meet any of the following criteria:

- are adding operational coal-fired power generation capacity to their power portfolio
- have a carbon intensity above 400 gCO₂/kWh.

This exclusion will be further tightened following the Paris-compliant trajectory for the sector as determined by the International Energy Agency ('IEA') Sustainable Development Scenario (SDS). This means power generators' carbon intensity will need to fall to 346 gCO₂/kWh by 2025, otherwise they will be excluded from our investment portfolios. (As of 2024, this threshold has been reduced to 381 gCO₂/kWh)

- still have coal capacity in their generation mix in 2030 in European Union and OECD countries, and by 2040 for the rest of the world.

Thermal-coal mining and electricity production monitoring:

BNPP AM acknowledges the importance of encouraging companies to reduce their dependence on coal mining and coal-fired power generation in order to align their activities with the Paris Agreement.

Miners and power generators that fulfil any of the exclusion criteria but make credible commitments to reducing their coal-based activities to levels consistent with the Paris Agreement may be added to a watchlist.

Additional thresholds could be applicable for portfolios with specific sustainability label(s).

As per its SFDR's Sustainable Investment Definition, BNPP AM excludes issuers involved in the oil & gas sector. Accordingly, companies involved in this sector cannot be classified as "sustainable investment as per BNPP AM.

☒ (B) Gas

Describe your strategy:

Our ESG Integration and Stewardship strategy address the coal sector through research and engagement. Examples are described in BNPP AM Sustainability Report.

Our Responsible Business Conduct address the thermal coal sector through exclusions:

Mandatory requirements related to unconventional oil and gas activities

(Unconventional oil and gas resources encompasses shale oil or gas, oil sands as well as extra-heavy oil with a density above 1kg/L corresponding to an API gravity below 10° and coal bed methane).

We will only invest in energy companies that derive less than 10% of their activities in Unconventional Oil and Gas. This ratio will be assessed as follows:

- For pure upstream oil and gas players, on the basis of their reserves: we will only invest in upstream companies having less than 10% of unconventional reserves.
- For diversified energy companies, on the basis of the Unconventional Ratio (defined as share of total revenues from their upstream activities, multiplied by the share of non-conventional reserves): we will only invest in diversified Energy companies with an Unconventional Ratio below 10%.

OR

- Energy companies that generate less than 10% of their revenues from Unconventional Oil and Gas. In addition to the above, we will exclude from our investment universe trading companies for which unconventional oil and gas resources represent more than 30% of their business as well as companies that own or operate pipelines or LNG export terminals supplied with more than 30% of their volume in unconventional oil and gas.

Mandatory requirements related to operations in sensitive areas

We will only invest in companies deriving less than 10% of their exploration and production activities from the Arctic region, with this ratio computed as follows:

- Pure oil and gas players will be assessed based on their reserves in this area as a percentage of their total reserves.

- Diversified oil and gas companies will be assessed based on an Arctic Ratio. This ratio will be calculated as the percentage of total reserves in the Arctic multiplied by the share of total revenues from upstream activities.

OR

- Energy companies that generate less than 10% of their revenues from activities in the Arctic Region.

We will not invest in companies with oil and gas reserves in the Amazon (as defined below), as well as the ones actively developing related infrastructure in these areas.

Amazon region: the Amazon River basin region extends to territories belonging to Brazil, Ecuador, Bolivia, Colombia, Guyana, Venezuela and Peru. The area known as the Sacred Headwaters of the Amazon covers parts of Ecuador and Peru and is formed by the Napo, Pastaza and Marañón river basins.

As part of this policy, restrictions will be applied to all protected Category I to IV regions of the classification established by the IUCN (International Union for Conservation of Nature), sites included on the list maintained by the RAMSAR Convention (Convention on Wetlands), sites in the Amazon region classified as World Heritage, sites linked to the Alliance for Zero Extinction (AZE) and the Sacred Headwaters of the Amazon.

Additional thresholds could be applicable for portfolios with specific sustainability label(s). Refer to our RBC policy for further information: docfinder.bnpparibas-am.com/api/files/D8E2B165-C94F-413E-BE2E-154B83BD4E9B.

☑ (C) Oil

Describe your strategy:

Our ESG Integration and Stewardship strategy address the coal sector through research and engagement. Examples are described in BNPP AM Sustainability Report.

Our Responsible Business Conduct address the thermal coal sector through exclusions:

Mandatory requirements related to unconventional oil and gas activities

(Unconventional oil and gas resources encompasses shale oil or gas, oil sands as well as extra-heavy oil with a density above 1kg/L corresponding to an API gravity below 10° and coal bed methane).

We will only invest in energy companies that derive less than 10% of their activities in Unconventional Oil and Gas. This ratio will be assessed as follows:

- For pure upstream oil and gas players, on the basis of their reserves: we will only invest in upstream companies having less than 10% of unconventional reserves.
- For diversified energy companies, on the basis of the Unconventional Ratio (defined as share of total revenues from their upstream activities, multiplied by the share of non-conventional reserves): we will only invest in diversified Energy companies with an Unconventional Ratio below 10%.

OR

- Energy companies that generate less than 10% of their revenues from Unconventional Oil and Gas. In addition to the above, we will exclude from our investment universe trading companies for which unconventional oil and gas resources represent more than 30% of their business as well as companies that own or operate pipelines or LNG export terminals supplied with more than 30% of their volume in unconventional oil and gas.

Mandatory requirements related to operations in sensitive areas

We will only invest in companies deriving less than 10% of their exploration and production activities from the Arctic region, with this ratio computed as follows:

- Pure oil and gas players will be assessed based on their reserves in this area as a percentage of their total reserves.
- Diversified oil and gas companies will be assessed based on an Arctic Ratio. This ratio will be calculated as the percentage of total reserves in the Arctic multiplied by the share of total revenues from upstream activities.

OR

- Energy companies that generate less than 10% of their revenues from activities in the Arctic Region.

We will not invest in companies with oil and gas reserves in the Amazon (as defined below), as well as the ones actively developing related infrastructure in these areas.

Amazon region: the Amazon River basin region extends to territories belonging to Brazil, Ecuador, Bolivia, Colombia, Guyana, Venezuela and Peru. The area known as the Sacred Headwaters of the Amazon covers parts of Ecuador and Peru and is formed by the Napo, Pastaza and Marañón river basins.

As part of this policy, restrictions will be applied to all protected Category I to IV regions of the classification established by the IUCN (International Union for Conservation of Nature), sites included on the list maintained by the RAMSAR Convention (Convention on Wetlands), sites in the Amazon region classified as World Heritage, sites linked to the Alliance for Zero Extinction (AZE) and the Sacred Headwaters of the Amazon.

Additional thresholds could be applicable for portfolios with specific sustainability label(s). Refer to our RBC policy for further information: docfinder.bnpparibas-am.com/api/files/D8E2B165-C94F-413E-BE2E-154B83BD4E9B.

☒ **(D) Utilities**

Describe your strategy:

Our ESG Integration and Stewardship strategy address the coal sector through research and engagement. Examples are described in BNPP AM Sustainability Report.

Our Responsible Business Conduct address the thermal coal sector through exclusions:

Electricity production exclusions:

BNPP AM will exclude all power generators that meet any of the following criteria:

- are adding operational coal-fired power generation capacity to their power portfolio
- have a carbon intensity above 400 gCO₂/kWh.

This exclusion will be further tightened following the Paris-compliant trajectory for the sector as determined by the International Energy Agency ('IEA') Sustainable Development Scenario (SDS). This means power generators' carbon intensity will need to fall to 346 gCO₂/kWh by 2025, otherwise they will be excluded from our investment portfolios. (As of 2024, this threshold has been reduced to 381 gCO₂/kWh)

- still have coal capacity in their generation mix in 2030 in European Union and OECD countries, and by 2040 for the rest of the world.

Thermal-coal mining and electricity production monitoring:

BNPP AM acknowledges the importance of encouraging companies to reduce their dependence on coal mining and coal-fired power generation in order to align their activities with the Paris Agreement.

Miners and power generators that fulfil any of the exclusion criteria but make credible commitments to reducing their coal-based activities to levels consistent with the Paris Agreement may be added to a watchlist.

For existing captive coal power plants used for energy intensive processes such as steel, aluminium and cement plants in emerging countries, if they represent a very limited installed capacity of less than 500 MW, and if the company is diversifying its energy supply away from coal, we may consider putting the company in the watchlist. If the company is involved in building new captive coal power plants, it is ineligible for inclusion in the watchlist and will be automatically excluded.

☐ (E) Cement

☐ (F) Steel

☐ (G) Aviation

☐ (H) Heavy duty road

☐ (I) Light duty road

☐ (J) Shipping

☐ (K) Aluminium

☒ **(L) Agriculture, forestry, fishery**

Describe your strategy:

Our ESG Integration and Stewardship strategy address the agriculture sector through research and engagement. Examples are described in BNPP AM Sustainability Report, most recent developments of our strategy include our IPDD membership as well as our acquisition of IWC. Our biodiversity strategy further describes our approach to this sector as well.

Our Responsible Business Conduct address the agriculture sector through exclusions:

Agriculture exclusions: aiming to address some major environmental, social and governance issues of the agriculture sectors and to establish guidelines to conduct business in a responsible manner. BNP Paribas will only invest in agriculture companies which comply with the requirements described in its Responsible Business Conduct policy.

☐ (M) Chemicals

☐ (N) Construction and buildings

☐ (O) Textile and leather

☐ (P) Water

☒ (Q) Other

Specify:

Additional criteria applicable across high emitting sectors

Describe your strategy:

- Climate integration within our ESG scoring framework: in line with our goal to align our portfolios with the Paris Agreement and recognising that the world faces an absolute carbon emissions problem, we have introduced an absolute carbon emissions 'tilt' in our primarily sector-relative ESG scoring system. As a result, sectors, regions and issuers emitting more GHGs will structurally have a lower ESG score than those that emit less.

- Better than benchmark rule on Carbon footprint and on ESG Score: We aim to hold portfolios with more positive ESG characteristics than their respective benchmarks. This includes targeting a lower carbon footprint than their respective benchmarks for our portfolios.

- Our goal is for 60% of our corporate investments (equity and fixed income) to fall into NZ:AAA (Achieving, Aligned or Aligning) categories by 2030 and 100% by 2040. According to us, this will enable us to achieve 100% net zero alignment of our corporate portfolio by 2050 (Further details on our NZ: AAA methodology alignment available here: <https://docfinder.bnpparibas-am.com/api/files/F5EE3377-26CE-4DFD-B770-DBD29323D78B>)

- Voting: We have incorporated climate change considerations into our proxy voting guidelines for many years. In addition to providing strong support to shareholder proposals addressing climate change, our Governance and Voting Policy promotes a more proactive approach.

We use our votes to signal our expectation that companies report on their GHG emissions. We expect the world's largest GHG emitters to set a goal to achieve net zero by 2050 or sooner. We will back thoughtful shareholder proposals as well as submit shareholder proposals of our own to accelerate corporate action on climate change.

- Engagement. We implement an engagement strategy that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner.

The majority of our engagement to drive the energy transition is undertaken through collaborative initiatives like Climate Action 100+ and the Asia Investor Group on Climate Change (AIGCC) Asian Utilities Engagement Programme. However, we also engage with companies individually to advance our financed emissions reduction goals.

Example of Climate Action 100+: BNPP AM is one of 700 investors, responsible for over \$68 trillion in AUM, that engage collaboratively with the world's largest emitters to improve climate change governance, cut emissions and strengthen their climate-related financial disclosures. BNPP AM leads, or co-leads, engagement with ten companies: Iberdrola, Naturgy, Nestlé, Saint-Gobain, Repsol, Stellantis, Sinopec, Power Assets Holdings, PTT Pcl and Exxon Mobil.

We also take part in other dialogues led by other investors in CA100+, including Danone and Unilever in Europe and Chevron, Delta, Dominion Energy, General Electric, NextEra and Southern Co. in the US, and lend our name to all engagements undertaken in the name of this initiative with all companies, in our capacity as supporter.

- o (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)

☐ (B) Yes, using the One Earth Climate Model scenario

☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario

☒ (D) Yes, using other scenarios

Specify:

BNPP AM has developed a framework to measure the alignment of its investments in corporates largely inspired by the Paris Aligned Investment Initiative (PAII) Net Zero Investment Framework. This triple-A (NZ: AAA) framework is based on various sources: Transition Pathway Initiative (TPI), Science Based Targets initiative (SBTi), Climate Action 100+ and Carbon Disclosure Project (CDP).

Achieving net zero

- Companies with at least 50% of their turnover aligned with EU Taxonomy Climate Change Mitigation OR
- Companies with at least 50% of their turnover aligned with climate-mitigation-linked SDGs and with no more than 20% of their turnover misaligned with any SDGs OR
- Companies committed to net zero and whose current carbon performance is at (or close) to the one needed for its sector by 2050 to reach net zero global emissions.

Aligned to a net zero pathway

- Companies committed to net zero emissions by 2050 AND that have a carbon reduction target assessed as $\leq 1.5^{\circ}\text{C}$ OR
- Companies with at least 20% of their turnover aligned with EU Taxonomy Climate Change Mitigation OR
- Companies with at least 20% of their turnover aligned with climate-mitigation-linked SDGs and with no more than 20% of their turnover misaligned with any SDGs

Aligning towards a net zero pathway

- Companies that have a carbon reduction target assessed as below 2°C and not otherwise considered Achieving or Aligned.

Not aligned

- All other companies

In addition, we are also using the International Energy Agency ('IEA') Sustainable Development Scenario (SDS). Notably for electricity production sector, where power generators' carbon intensity will need to fall to 346 gCO₂/kWh by 2025, otherwise they will be excluded from our investment portfolios. (As of 2024, this threshold has been reduced to 381 gCO₂/kWh) We are also a primary sponsor of the Inevitable Policy Response initiative and utilize the results of the IPR scenarios to inform our broader research.

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☒ **(A) Yes, we have a process to identify and assess climate-related risks**

(1) Describe your process

BNPP AM has put in place a framework for the identification and review of sustainability risks (including climate related risks). In response to these risks, the roles and responsibilities of the various departments on the first line of defence and in the second line of defence have been defined. For each of these risks, an action plan has been defined. The assessment of sustainability risks, as well as the associated control plans, are presented in particular at the internal control committee chaired by the CEO of BNPP AM.

In addition, our Sustainability Committee, comprised of members of our Investment Committee, oversees our approach to sustainability, which includes climate change and covers our process, policies, targets and reporting.

We view climate-related risks in a two-fold manner: risks to our investments, and risks to the system.

We have integrated sustainability within our eligible investment processes based on what we call the four first pillars of sustainability approach: ESG integration, stewardship, responsible business conduct and a forward-looking perspective.

Embedded in this approach is the identification, assessment and management of climate risks.

Accordingly, we have strategic priorities and policies in place to identify, assess and manage climate-related risks.

In addition to committing to align our portfolios with the goals of the Paris Agreement by 2025, and in line with our Net Zero commitment, we evaluate climate risks and opportunities as part of the research process and calculate the carbon footprint of our portfolios. We have also strengthened and enhanced our coal policy since its inception in 2020.

Now, We exclude mining companies that do not have a strategy to exit thermal coal activities and power generators that still have coal capacity in their generation mix in 2030 in European Union and OECD countries, and by 2040 for the rest of the world. We perform physical risk assessments on certain of our investments (e.g. Sovereign).

We have also set key targets related to our net zero commitments which have been validated by the Sustainability Committee.

(2) Describe how this process is integrated into your overall risk management

BNPP AM has organised its internal risk control around an independent department that aims to ensure centralised and cross-functional supervision of operational and investment risks, including sustainability and climate changes risks. The department is particularly involved in 3 important dimensions:

1. The independent review of climate-related models (with the legal department for the regulatory part),
2. Monitoring sustainability indicators in portfolio. Funds are tracked automatically, and divergences versus expectations are considered as breaches.

Voluntary commitments including carbon constraints are monitored by the CIO's office.

- For example, for SFDR article 8 and 9 funds where beating the benchmark for ESG Score and Carbon footprint are part of the fund's objectives, these constraints and divergences are monitored by the investment CIO office through a dedicated dashboard, breaches are reviewed by the Investment Committee.

3. Oversight of operational risk related to a number of processes involving sustainability issues including those related to climate (reporting, data, IT, etc.)

BNPP AM's risk management team is involved in sustainability-related governance (including our net zero workstream dedicated to climate change) and works closely with the RISK ESG team positioned at group level to ensure the sharing of best practices. Within the BNP Paribas Group's RISK Department, RISK ESG manages the integration of ESG risk factors into the BNP Paribas Group's risk management system and into the activities of the Group's various RISK teams.

☒ (B) Yes, we have a process to manage climate-related risks

(1) Describe your process

- ESG Score

Our ESG scoring is based on relative materiality of climate related risks and is included in our Environmental pillar. To arrive at ESG scores that provide investment useful insights, we select metrics and weights within our ESG scoring framework using three criteria: 1. Materiality: We reward companies that score highly on ESG issues that are material to their business, based on the expertise from our Sustainability Centre as well as frameworks such as SASB and empirical studies 2. Measurability and insight: We give preference to insightful performance or numeric metrics over policies or programmes 3.

Data quality and availability: We favour metrics for which data is of reasonable quality and readily available so that we can compare issuers fairly. We group each individual metric in our ESG scoring framework into 11 common themes, however the underlying metrics used to assess performance under each theme vary by sector.

- Absolute carbon tilt in ESG scoring model

In line with our goal to align our portfolios with the Paris Agreement, we use an absolute carbon emissions 'tilt' in our primarily sector-relative ESG scoring system.

As a result, sectors, regions and issuers emitting more carbon and other GHGs will structurally have a lower ESG score than those that emit less.

- Better than benchmark objective

In May 2015, we committed to progressively measuring and reporting the carbon footprint of our open-ended funds. Today, we measure the carbon footprint of our eligible equity and fixed income portfolios.

In 2022, we updated our methodology due to improved data access and issuer mapping techniques which were informed by a machine learning model developed by our Quantitative Research Group which access the strength of carbon estimates made by our third party data vendors.

As per our ESG Integration Guidelines, for a wide range of strategies, we monitor their carbon footprint versus their benchmarks.

For eligible strategies, we aim to outperform on this ESG characteristics at product-level. We report on this KPIs to clients where available.

- Responsible Business conduct policy (RBC Policy)

Our RBC policy avoid being exposed to high-emitting sectors such as Coal or unconventional oil and gas.

- Stewardship:

Since 2015, climate change has been systematically taken into account in our voting decisions.

Specifically, our voting policy states that we oppose key resolutions (director discharges, re-elections, financial statements) to companies that do not appropriately report their carbon footprint (scope 1, 2, and 3 where applicable), or do not communicate or engage constructively on their climate adaptation business strategy or climate lobbying strategy. For example, in line with our adherence to the Climate Action 100+ collaborative engagement initiative and in line with our Net Zero commitment, we expect companies identified as the world's largest greenhouse gas emitters to set a target of net-zero greenhouse gas emissions by 2050. Regarding the engagement with companies, our engagement can be individual or collaborative. Much of our engagement related to climate risk is through collaborative initiatives such as Climate Action 100+ and the Asia Investor Group on Climate Change (AIGCC) Asian Utility Engagement Program. However, we are also engaging directly with companies to improve our financed emissions reduction goals.

(2) Describe how this process is integrated into your overall risk management

BNPP AM has organised its internal risk control around an independent department that aims to ensure centralised and cross-functional supervision of operational and investment risks, including sustainability and climate changes risks. The department is particularly involved in 3 important dimensions which can be found in PGS 44 A(2).

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

☒ (A) Exposure to physical risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

☒ (1) Metric or variable used

- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

☒ (B) Exposure to transition risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

☒ (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://docfinder.bnpparibas-am.com/api/files/F5EE3377-26CE-4DFD-B770-DBD29323D78B>

☐ (C) Internal carbon price

☒ (D) Total carbon emissions

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

☒ (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

☐ (E) Weighted average carbon intensity

☐ (F) Avoided emissions

☒ **(G) Implied Temperature Rise (ITR)**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

☒ **(1) Metric or variable used**

- ☐ (2) Metric or variable used and disclosed
- ☐ (3) Metric or variable used and disclosed, including methodology

☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

☒ **(I) Proportion of assets or other business activities aligned with climate-related opportunities**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://docfinder.bnpparibas-am.com/api/files/F5EE3377-26CE-4DFD-B770-DBD29323D78B>

☒ **(J) Other metrics or variables**

Specify:

Carbon Footprint

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

☐ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☒ **(A) Scope 1 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

☒ **(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

☒ **(C) Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed

☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

- (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (B) The UNFCCC Paris Agreement
- ☒ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☒ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) The EU Taxonomy
- ☐ (F) Other relevant taxonomies
- ☒ (G) The International Bill of Human Rights
- ☒ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☒ (I) The Convention on Biological Diversity
- ☒ (J) Other international framework(s)
Specify:
Biodiversity: Stockholm or Rotterdam Conventions
Non conventional weapons: Ottawa Convention, Convention on Cluster Munitions (Oslo Convention), Nuclear Non-proliferation Treaty (NPT) of 1968
- ☐ (K) Other regional framework(s)
- ☐ (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☒ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☐ (C) We have been requested to do so by our clients and/or beneficiaries
- ☐ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☒ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☒ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☒ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?

☒ **(A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Through our Responsible Business Conduct screening and our Stewardship activities we addressed this topic. Excluding companies in breach with UNGC/OECD/UNGPs human rights principles and discussing with companies about the respect of human rights within their own operations and across their supply chains.

☒ **(B) We assessed whether individuals at risk or already affected might be at heightened risk of harm**

Explain how these activities were conducted:

Through the review of our Responsible Business Conduct exclusion list and watchlist. In total in 2023, we engaged with 10 companies spanning all three regions in relation to the following aspects of our RBC Policies: Agriculture, coal, oil and gas, timber and wood pulp, palm oil and consumer interests. Some engagements resulted in the issuers providing sufficient information or assurance and remained on our watchlist, while others were excluded if it did not make sufficient progress.

For example, we engaged with an issuer in the energy sector.

In the second half of 2021, we placed this company on our Watchlist. We were concerned about potential breaches of the UN Global Compact's Principle 1 on Human Rights. Our main concern was the company's poor safety performance record with a series of fatal accidents over recent years, which revealed systemic failures in its management of occupational health and safety. We held several engagement meetings with the company between 2021 and 2023. Although the company was responsive to our dialogue and claimed it intended to reinforce its sustainability strategy, it did not provide sufficient assurance that it was actually implementing adequate corrective measures to prevent further accidents.

For example, it did not progress in the adoption of responsible safety targets in line with peer practice. As such in 2023 we concluded that the company was in breach with our RBC Policy and excluded it from our portfolios.

☒ **(C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts**

Explain how these activities were conducted:

Through our Stewardship activities, for example in the fourth quarter of 2022, we signed up to the collaborative investor engagement initiative coordinated by Know the Chain and Investor Alliance for Human Rights to open dialogue with apparel and footwear companies to tackle forced labour in global supply chains. Another example: PRI launched its new collaborative engagement initiative called Advance. BNPP AM was among 265 investors to sign up in 2023, joining a coalition of 265 investors representing US\$35 trillion. It will encourage companies to fully implement the UN Guiding Principles on Human Rights and the OECD Guidelines for Multi-National Companies (MNCs), thereby contributing to delivering equality and inclusive growth. It will run for five years and tackle companies across several sectors.

Since 2023, BNPP AM has co-led the engagement with ArcelorMittal. We had a meeting with the company in November, following written exchanges and previous introductory meetings. OHS performance was at the heart of our dialogue linked to a series of accidents that occurred at ArcelorMittal Termitau in Kazakhstan, with an accident at the Kostenko mine in October 2023 leading to 46 fatalities. We have seen some encouraging steps forward, such as the company's decision to start working on the development of a group-wide grievance mechanism by the end of 2024 and the appointment of an external independent auditor to perform a group-wide safety audit following the recent events in Kazakhstan. However, we are still waiting for concrete changes and solutions to be implemented.

- ☐ (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
- ☐ (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?

☒ **(A) Workers**

Sector(s) for which each stakeholder group was included

- ☒ (1) Energy
- ☒ (2) Materials
- ☒ (3) Industrials
- ☒ (4) Consumer discretionary
- ☒ (5) Consumer staples
- ☒ (6) Healthcare
- ☒ (7) Finance
- ☒ (8) Information technology
- ☒ (9) Communication services
- ☒ (10) Utilities
- ☒ (11) Real estate

☒ **(B) Communities**

Sector(s) for which each stakeholder group was included

- ☒ (1) Energy
- ☒ (2) Materials
- ☒ (3) Industrials
- ☒ (4) Consumer discretionary
- ☒ (5) Consumer staples
- ☒ (6) Healthcare
- ☒ (7) Finance
- ☒ (8) Information technology
- ☒ (9) Communication services
- ☒ (10) Utilities
- ☒ (11) Real estate

☒ **(C) Customers and end-users**

Sector(s) for which each stakeholder group was included

- ☒ (1) Energy
- ☒ (2) Materials
- ☒ (3) Industrials
- ☒ (4) Consumer discretionary
- ☒ (5) Consumer staples
- ☒ (6) Healthcare
- ☒ (7) Finance
- ☒ (8) Information technology
- ☒ (9) Communication services
- ☒ (10) Utilities
- ☒ (11) Real estate

☐ (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?

☒ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

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

☒ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

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

☒ **(C) Reports and other information from NGOs and human rights institutions**

Provide further detail on how your organisation used these information sources:

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

☒ **(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank**

Provide further detail on how your organisation used these information sources:

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

☒ **(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

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

☒ **(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

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

☒ **(G) Sell-side research**

Provide further detail on how your organisation used these information sources:

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

☒ **(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

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

☒ **(I) Information provided directly by affected stakeholders or their representatives**

Provide further detail on how your organisation used these information sources:

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

☒ **(J) Social media analysis**

Specify:

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

Provide further detail on how your organisation used these information sources:

☐ **(K) Other**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☒ **(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

As part of our Stewardship activities, we engage on human rights issues affecting our investees. Those discussions include pushing them to provide remedy for people affected by negative rights outcomes. For example, we engaged with four companies in 2022 over concerns about their human rights policies and practices. All provided sufficient information or assurance and remain on our watchlist. We also signed up to the collaborative investor engagement initiative coordinated by Know the Chain and Investor Alliance for Human Rights to open dialogue with apparel and footwear companies to tackle forced labour in global supply chains. Another example: PRI launched its new collaborative engagement initiative called Advance.

BNPP AM was among 265 investors to sign up in 2023, joining a coalition of 265 investors representing US\$35 trillion. It will encourage companies to fully implement the UN Guiding Principles on Human Rights and the OECD Guidelines for Multi-National Companies (MNCs), thereby contributing to delivering equality and inclusive growth. It will run for five years and tackle companies across several sectors.

Since 2023, BNPP AM has co-led the engagement with ArcelorMittal. We had a meeting with the company in November, following written exchanges and previous introductory meetings.

OHS performance was at the heart of our dialogue linked to a series of accidents that occurred at ArcelorMittal Termitau in Kazakhstan, with an accident at the Kostenko mine in October 2023 leading to 46 fatalities. We have seen some encouraging steps forward, such as the company's decision to start working on the development of a group-wide grievance mechanism by the end of 2024 and the appointment of an external independent auditor to perform a group-wide safety audit following the recent events in Kazakhstan. However, we are still waiting for concrete changes and solutions to be implemented.

☐ (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

OVERALL APPROACH

EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

(1) Listed equity (active)

Organisation

(A) Commitment to and experience in responsible investment



(B) Responsible investment policy(ies)



(C) Governance structure and senior-level oversight and accountability



People and Culture

(D) Adequate resourcing and incentives



(E) Staff competencies and experience in responsible investment



Investment Process

(F) Incorporation of material ESG factors in the investment process



(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>
Stewardship	
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input checked="" type="checkbox"/>
(O) Results of stewardship activities	<input checked="" type="checkbox"/>
Performance and Reporting	
(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>

SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

- ☐ (A) Incorporation of their responsible investment policy into advisory services
- ☐ (B) Ability to accommodate our responsible investment policy
- ☐ (C) Level of staff's responsible investment expertise
- ☐ (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- ☐ (E) Other
- ☐ (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- ☒ (G) **Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers**

POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.

Provide example(s) below

(A) Selection	Responsible investment aspects are included in our internal selector's (Delegated Solutions) selection of external investment managers through an extensive ESG due diligence consisting in three interrelated and complementary components: the quantitative ESG analysis of funds, the qualitative ESG analysis of external managers and the greenwashing assessment. The first component is a portfolio look-through allowing to calculate a set of relevant indicators to understand the ESG profile of the fund. These indicators include: the ESG score, the proportion of the fund corresponding to "sustainable investment" or "aligned with the EU Taxonomy", the carbon footprint or the contribution to the UN Sustainable Development Goals (SDGs). The second component is a qualitative analysis of the degree of involvement of the Investment Management firm into Responsible Investment, conducted via questionnaires and interviews. The third component is a greenwashing risk analysis. This includes all reputational risks related to non-compliance with good practices and regulations on sustainable finance and is also conducted with questionnaires and interviews. These 3 analyses allow Delegated Solutions' fund selectors to include both financial and extra financial considerations when they formulate fund recommendations.
(B) Appointment	The appointment of a manager for a standalone fund, a fund for a fund of funds or a manager for a mandate in a fund of mandates will involve using the information garnered from the 3 ESG analysis streams mentioned above. Depending on the demands of BNPP AM or the client, a selection is made from the Delegated Solutions list based on the proprietary ESG KPIs, whether the product is Article 8 or 9 according to the SFDR regulation, AMF Cat. 1 or 2 according to the AMF regulation, whether the manager is willing to include BNPP AM criteria, the type of reports they are willing to provide, etc. The Global Product Strategy dept, Delegated Solutions, the Sustainability Centre and potentially the client (e.g. Wealth Management) may be involved in the definition of the criteria and the final selection of the manager to be appointed. For the AM Select range this involves three RFP questionnaires, one that looks at the asset manager, the second covers the strategy and to what extent the manager can fulfil the mandate, and the third covers the regulatory requirements, especially on ESG. The funds in this range must respect our Responsible Business Conduct Policy, and, on a best-effort basis, the decile 10 exclusions, and the better than benchmark rule.
(C) Monitoring	According to their contract external managers must provide BNPP AM with any material change regarding their governance, organisation and policies including responsible investments. Given our oversight duty, within the AM Select range we receive and review data reports and letters of comfort on Sustainability topics on a monthly basis. Overall responsible investment aspects are included in the monitoring of external investment managers performed by Delegated Solution through Managers ESG Ratings, reviewed every 2 years or sooner in case of meaningful change, and the portfolios' Quantitative ESG Assessment, every year or sooner in case of meaningful change.

SELECTION

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- ☒ (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
 - ☐ (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
 - ☐ (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

Organisation

- ☒ (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- ☒ (1) for all of our mandates
 - ☐ (2) for a majority of our mandates
 - ☐ (3) for a minority of our mandates

- ☒ (B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- ☒ (1) for all of our mandates
 - ☐ (2) for a majority of our mandates
 - ☐ (3) for a minority of our mandates

- ☒ (C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- ☒ (1) for all of our mandates
 - ☐ (2) for a majority of our mandates
 - ☐ (3) for a minority of our mandates

People and Culture

- ☒ (D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

Investment Process

☒ (F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

Performance and Reporting

☒ (I) ESG disclosure in regular client reporting

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (J) Inclusion of ESG factors in contractual agreements

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☐ (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

- ☐ (A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate
- ☒ (B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities

Select from dropdown list

- ☒ (1) for all of our mandates

- (2) for a majority of our mandates
- (3) for a minority of our mandates
- ☒ **(C) Their participation in collaborative engagements and stewardship initiatives**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☒ **(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☒ **(E) Details of their engagement activities with policy makers**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☒ **(F) Their escalation process and the escalation tools included in their policy on stewardship**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 7	CORE	OO 9, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of (proxy) voting did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

- ☐ (A) The alignment of their policy(ies) or guidelines on (proxy) voting with the investment mandate
- ☒ **(B) Historical information on the number or percentage of general meetings at which they voted**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☒ **(C) Analysis of votes cast for and against**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☒ **(D) Analysis of votes cast for and against resolutions related to risks connected to systematic sustainability issues**
Select from dropdown list
 - ☒ **(1) for all of our mandates**
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates
- ☐ (E) Details of their position on any controversial and high-profile votes
- ☐ (F) Historical information of any resolutions on which they voted contrary to their own voting policy and the reasons why
- ☐ (G) Details of all votes involving companies where the external investment manager or an affiliate has a contractual relationship or another potential conflict of interest
 - (H) We did not review and evaluate any of the above aspects of (proxy) voting when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

- (I) Not applicable; our organisation did not select new external investment managers or allocated new mandates to existing investment managers for listed equity and/or hedge funds that hold equity.

APPOINTMENT

SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13, OO 21	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

☒ (A) Their commitment to following our responsible investment strategy in the management of our assets

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (B) Their commitment to incorporating material ESG factors into their investment activities

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (C) Their commitment to incorporating material ESG factors into their stewardship activities

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (F) Exclusion list(s) or criteria

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (G) Responsible investment communications and reporting obligations, including stewardship activities and results

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☐ (H) Incentives and controls to ensure alignment of interests

☐ (I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD

☒ (J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

Select from dropdown list

- (1) for all of our segregated mandates
 - **(2) for a majority of our segregated mandates**
 - (3) for a minority of our segregated mandates
- ☐ (K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments
- ☐ (L) Other
- (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

MONITORING

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(1) Listed equity (active)

Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)



(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)



(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)



People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)



(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)



Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)



(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)



(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)



Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)



(J) Inclusion of ESG factors in contractual agreements



(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

o

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.

During the reporting year, Delegated Solutions analysts started to monitor the progress of external investment managers regarding Net-Zero. Commitments with NZAMi, SBTi, and other multi-stakeholder collaborative initiatives are considered. Climate strategies are analysed. Results of this analysis are expressed via qualitative comments and points in the Asset Managers' ESG Ratings.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?

(1) Listed equity (active)

(A) At least annually

☒

(B) Less than once a year

☐

(C) On an ad hoc basis

☐

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(1) Listed equity (active)

(A) Any changes in their policy(ies) or guidelines on stewardship



(B) The degree of implementation of their policy(ies) or guidelines on stewardship



(C) How they prioritise material ESG factors



(D) How they prioritise risks connected to systematic sustainability issues



(E) Their investment team's level of involvement in stewardship activities



(F) Whether the results of stewardship actions were fed back into the investment process and decisions



(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities



(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful



(I) Whether they participated in collaborative engagements and stewardship initiatives ☒

(J) Whether they had an active role in collaborative engagements and stewardship initiatives ☒

(K) Other ☐

(L) We did not monitor our external investment managers' stewardship practices during the reporting year ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 14	CORE	OO 9, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your AUM in each asset class where (proxy) voting is delegated to external investment managers, which aspects of your external investment managers' (proxy) voting practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(1) Listed equity (active)

(A) Any changes in their policy(ies) or guidelines on (proxy) voting ☐

(B) Whether their (proxy) voting decisions were consistent with their stewardship priorities as stated in their policy and with their voting policy, principles and/or guidelines ☒

(C) Whether their (proxy) voting decisions were consistent with their stated approach on the prioritisation of risks connected to systematic sustainability issues ☒

(D) Whether their (proxy) voting track record was aligned with our stewardship approach and expectations ☐

(E) The application of their policy on securities lending and any implications for implementing their policy(ies) or guidelines on (proxy) voting (where applicable)

☐

(F) Other

☐

(G) We did not monitor our external investment managers' (proxy) voting practices during the reporting year

☐

ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

During the reporting year, Delegated Solutions performed ESG due diligence on +40 external investment managers. Each of these analysis results in quantitative scores and qualitative comments. When they are interested, we share some of the qualitative comments with the external investment managers during a short engagement meeting. It gives external investment managers insights about the elements that we identified as a strengths/weaknesses with regards to their ESG practices and how to perform better in the next review.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?

(1) Listed equity (active)

(A) Engagement with their investment professionals, investment committee or other representatives

☒

(B) Notification about their placement on a watch list or relationship coming under review

☐

(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified

☐

(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination

☐

(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified

☐

(F) Other

☐

(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring

☐

VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?

(1) Listed equity (active)

(A) We checked that the information reported was verified through a third-party assurance process

☐

(B) We checked that the information reported was verified by an independent third party

☐

(C) We checked for evidence of internal monitoring or compliance

☒

(D) Other

☐

(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year

○

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, our investment process incorporates material governance factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses			
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	○	○	○

(A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)

Changes in ESG trends that are material for a specific sector or region are included in the regular review of our ESG methodologies by the ESG Research team, it includes changes in regulations, in materiality, physical climate, technology and consumer demands. We use scenario such our net zero alignment assessment. BNPP AM has developed a framework to measure the alignment of its investments in corporates largely inspired by the Paris Aligned Investment Initiative (PAII) Net Zero Investment Framework. This triple-A (NZ: AAA) framework is based on various sources: Transition Pathway Initiative (TPI), Science Based Targets initiative (SBTi), Climate Action 100+ and Carbon Disclosure Project (CDP).

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

	(1) Active - quantitative	(2) Active - fundamental
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(1) in all cases	(1) in all cases	(1) in all cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	○	○	○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

For our European Equity Large Cap strategy, we applied the following ESG integration process this year:

Idea generation: Proprietary screening for companies with a combination of sustainable quality, business momentum and valuation

Step 1. Idea generation:

Exclusion list is excluded from potential buy list

All stocks specified by the Sustainability Centre and/or specified by regulators and clients

Step 2: stock selection

-ESG scores are monitored through Aladdin and ZOOM

-ESG section written in each investment case

Step 3: Portfolio construction and risk management

ESG issues and taking into account 'better-than-benchmark rule on two KPIs.

-Weighted average ESG score (set in prospectus)

-Weighted average Carbon footprint (set by GSS policy)

We also meet SI requirements.

Other:

Respective SC sector analyst invited to attend review meetings. Presence recorded in minutes of the meeting.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process			
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

Example of Blue Economy Equity: how we integrate ESG in index strategies

Index provider selection: Review of index construction methodology, including the integration of sustainability in the index construction, index ESG characteristics and the strength of the index provider's ESG research

Methodology development:

Align index rule book as best as possible to BNPP AM Responsible Business Conduct and activities prohibited by Towards Sustainability label.

Determine definition, methodology and sub-themes of the Blue Economy investment clusters with the index provider in order to develop a custom methodology for rule book

Index monitoring: Continuous monitoring and engagement with the index provider to adjust rule book when significant discrepancies are identified.

In 2023, the engagement has continued with one Shipping Lane company (discussion focused on improve practices in its ports business).

Engagement with issuers: Dedicated engagement strategy where we engage with selected constituents of the ETF to improve their sustainability practices, track their progress and report back to stakeholders. Targets pre-defined investments clusters: Fish & Seafood companies (in 2021) and Shipping Lanes companies (in 2022 and 2023). Asia Research & Engagement (ARE) supported the engagement until end of 2022.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive listed equity assets?

☒ **(A) We commission customised indexes**

Explain:

When developing new index products, we select indices which fit with varying client needs from an ESG perspective. In order align these products further with client needs and our internal views on sustainability, BNPP creates customized indices in collaboration with index providers to fine tune the ESG requirements. One of the key current client needs is to align index exposure with the Paris Agreement. For this purpose, BNPP has developed a range of Paris Aligned Benchmark ETFs currently represent EUR 12.4bn (as end of May 2024), 36% of our ETF open ended funds.

☒ **(B) We compare the methodology amongst the index providers available**

Explain:

As described under A, BNPP selects or customizes indices based on our understanding of client needs and ESG preferences. An essential part of the selection process is to ensure that the index construction methodology and the integration of sustainability elements is credible and aligned with our expectations and those of our clients.

At the same time, we construct customized indices also to more clearly reflect BNPP's approach to sustainability including our responsible business conduct policies. BNPP has also partnered with external index providers in order to create specific indices which enable investors to benefit from important sustainability related themes. By investing, our clients both benefit from the potential financial upside and/or the potential risk mitigation. BNPP currently manages EUR 3.3bn in such Sustainable thematic ETFs linked to themes such as the Blue Economy, the Circular Economy and Green, Social and Sustainability Bonds

☒ (C) We compare the costs of different options available in the market

Explain:

In the development of the BNP Paribas Easy ETF & Index fund range, BNP Paribas Asset Management compares the costs of different options available in the market.

☐ (D) Other

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

☒ (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks

☐ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening

☒ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening

☐ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(1) Active - quantitative	(2) Active - fundamental
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.

Our example from Fundamental Active Equities highlights the investment philosophy for global equities. To enable long-term value creation, we identify investment opportunities from a bottom-up approach. We employ a behavioural philosophy and approach. We are active managers and do not believe markets are efficient. Indeed, Efficient Market Hypothesis assumes all investors are rational and therefore all information is priced in at all time. However, we know that investors are human beings with emotions such as fear and greed, they exhibit behavioural biases that impair their decision-making process giving rise to persistent inefficiencies in the market. We seek to exploit these inefficiencies.

We integrate ESG elements in the process 1) with the integration of ESG qualitative analysis into the investment thesis 2) We focus on idiosyncratic risk and will penalize companies that perform poorly on ESG by increasing the discount factor to reflect the increased risk 3) Portfolio construction to ensure both lower carbon footprint and ESG score above that of the benchmark and 4) continuous engagement by the investment team with portfolio companies on company performance including ESG.

We believe that engagement with our portfolio companies is one of the areas that differentiates us and provides value to us and our portfolio companies.

In addition to BNP Paribas asset management's voting, engagement and stewardship activities led by Sustainability Centre, the portfolio management team identifies companies that they think are not getting credit for the work that they are doing from ESG score providers and engage with them so that they can better communicate on ESG.

We have noticed that American small and mid-cap companies in particular are very open to feedback on how to best communicate their commitments. In 2022 after meeting with management at a conference we mentioned that we saw discrepancies between the ESG scores of this company and larger peers in the same sector. The lower scores were driven by a lack of disclosure on certain metrics as well as the states in which they operated. The CFO of the North American waste company, was very passionate about closing the disclosure gap and reached out to the portfolio management team to better understand what metrics were important to make sure their sustainability report was able to reflect their strong ESG credentials.

We have continued to engage with them on multiple occasions, over the last couple of years. Recent areas of engagement have been encouraging the reporting of EU taxonomy aligned revenues and capex and having this signed off by their auditor. In addition we highlighted that their communication around net zero commitments might not be fully understood by investors looking for sbti verification (which the company does not have) as it considered itself 'beyond net zero' due to the amount of offsets more than 3x the size of their scope 1, 2 and 3 emissions. This fundamental bottom-up analysis from the PM team provides a full picture and is more forward looking view of the company and compliments the ESG score.

In line with our investment philosophy and circa 3 year holding period, we seek to exploit the Market's increasingly short-term investment horizon by investing in companies such as the one above which we feel is not fully appreciated by the market.

From a bottom-up assessment, our equity team analyses the quality, business momentum and valuation support as well as the sustainability credentials of each company in the portfolio on an ongoing basis.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☐ (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- ☐ (D) We do not share the above information for all our listed equity assets subject to ESG screens

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, our investment process incorporates material governance factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(3) for a minority of our AUM	(3) for a minority of our AUM	(3) for a minority of our AUM	(2) for a majority of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses			
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	○	○	○

(A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

Changes in ESG trends that are material for a specific sector or region are included in the regular review of our ESG methodologies by the ESG Research team. It includes changes in regulations, in materiality, physical climate, technology and consumer demands. We use scenarios such as our net zero alignment assessment. BNPP AM has developed a framework to measure the alignment of its investments in corporates largely inspired by the Paris Aligned Investment Initiative (PAII) Net Zero Investment Framework. This triple-A (NZ: AAA) framework is based on various sources: Transition Pathway Initiative (TPI), Science Based Targets initiative (SBTi), Climate Action 100+ and Carbon Disclosure Project (CDP).

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your organisation incorporate material ESG factors when selecting private debt investments during the due diligence phase?

☒ (A) We use a qualitative ESG checklist

Select from dropdown list:

- o (1) in all cases
- (2) in a majority of cases
- o (3) in a minority of cases

☒ (B) We assess quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity

Select from dropdown list:

- o (1) in all cases
- (2) in a majority of cases
- o (3) in a minority of cases

☒ (C) We check whether the target company has its own responsible investment policy, sustainability policy or ESG policy

Select from dropdown list:

- o (1) in all cases
- (2) in a majority of cases
- o (3) in a minority of cases

☒ (D) We hire third-party consultants to do technical due diligence on specific material ESG factors where internal capabilities are not available

Select from dropdown list:

- o (1) in all cases
- o (2) in a majority of cases
- (3) in a minority of cases

☒ (E) We require the review and sign-off of our ESG due diligence process by our investment committee, or the equivalent function

Select from dropdown list:

- o (1) in all cases
- (2) in a majority of cases
- o (3) in a minority of cases

☒ (F) We use industry-recognised responsible investment due diligence questionnaire (DDQ) templates

Select from dropdown list:

- o (1) in all cases
- (2) in a majority of cases
- o (3) in a minority of cases

☐ (G) We use another method of incorporating material ESG factors when selecting private debt investments during the due diligence process

☐ (H) We do not incorporate material ESG factors when selecting private debt investments during the due diligence phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

	(1) SSA	(2) Corporate	(3) Private debt
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(3) for a minority of our AUM	(2) for a majority of our AUM	(3) for a minority of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(2) for a majority of our AUM	(2) for a majority of our AUM	(3) for a minority of our AUM
(C) We do not incorporate significant changes in material ESG factors	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?

● **(A) At both key counterparties' and at the underlying collateral pool's levels**

Explain: (Voluntary)

We always analyse the sponsor/originator of the ABS/RMBS/MBS and the issuer of covered bonds. As far as the collateral is concerned we analyse the use of proceeds for Green, social and sustainable securitized bonds.

Also for US MBS our security selection process will screen collateral pools for characteristics that can forecast prepayments which inherently incorporates the assessment of ESG relevant factors such as first-time homebuyer loans, Housing Finance Authority (HFA) loans, and Ginnie Mae loans to promote homeownership for veterans and borrowers in rural areas etc.

- (B) At key counterparties' level only
- (C) At the underlying collateral pool's level only

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM	(3) for a minority of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways - Specify:

Fixed Income bond funds should have an average ESG score above the benchmark score (Internal proprietary ESG score). We have a range of Euro Corporate IG SRI PAB of around 7bnEUR. The PAB and SRI approaches are key in the index design.

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

BNP Paribas Easy € Corp Bond SRI PAB UCITS ETF tracks the customized index, Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB Index.

The Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel Bond PAB Index is a fixed-rate, investment-grade corporate bond benchmark that follows the rules of the Bloomberg Euro Aggregate Corporate Index, and applies additional sector and ESG criteria for security eligibility.

In addition, the index is designed to meet the standards of the EU Paris Aligned Benchmark (PAB) Label. The index sets an initial minimum 50% reduction of absolute GHG emissions relative to the Bloomberg Euro Aggregate Corporate Index, followed by an annual 10% decarbonisation relative to the baseline emissions.

The Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel Bond PAB Index includes a 3% issuer cap, and the combined weight of the BCLASS3 sectors of Banking, Asset Managers-Brokerages-Exchanges and Insurance cannot be more than 10% away (in absolute terms) from the combined weight of such three sectors in the Bloomberg Euro Aggregate Corporate Index.

The Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel Bond PAB Index includes issuers with MSCI ESG Ratings of BBB or higher and negatively screens issuers that are involved in business activities that are restricted because they are inconsistent with certain values-based business involvement criteria, including activities related to controversial military weapons, and those issuers with any Fossil Fuel ties or with a "red" MSCI ESG Controversy Score are excluded.

Additionally, bonds must have at least 500M€ par amount outstanding.

To conclude, all these material ESG factors influence weightings.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive fixed income assets?

☒ **(A) We commission customised indexes**

Explain:

When developing new index products, we select indices which fit with varying client needs from an ESG perspective. In order align these products further with client needs and our internal views on sustainability, BNPP creates customized indices in collaboration with index providers to fine tune the ESG requirements. One of the key current client needs is to align index exposure with the Paris Agreement. For this purpose, BNPP has developed a range of Paris Aligned Benchmark ETFs which currently represent EUR 12.4bn (as of end of May 2024), 36% of our ETF open ended funds.

☒ **(B) We compare the methodology amongst the index providers available**

Explain:

As described under A, BNPP selects or customizes indices based on our understanding of client needs and ESG preferences. An essential part of the selection process is to ensure that the index construction methodology and the integration of sustainability elements is credible and aligned with our expectations and those of our clients.

At the same time, we construct customized indices also to more clearly reflect BNPP's approach to sustainability including our responsible business conduct policy. BNPP has also partnered with external index providers in order to create specific indices which enable investors to benefit from important sustainability related themes. By investing, our clients both benefit from the potential financial upside and/or the potential risk mitigation. BNPP currently manages EUR 3.3bn in such Sustainable thematic ETFs linked to themes such as the Blue Economy, the Circular Economy and Green, Social and Sustainability Bonds.

☒ **(C) We compare the costs of different options available in the market**

Explain:

In the development of the BNP Paribas Easy ETF & Index fund range, BNP Paribas Asset Management compares the costs of different options available in the market.

☐ (D) Other

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM	(3) for a minority of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	○	○	○	○

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process - Specify:

Issuers are ranked in deciles within their respective sector, where 1 is the best decile and 10 the worst; we take into account their ESG score (internal proprietary score). Issuers within decile 10 are excluded from the investment universe unless a specific additional ad-hoc analysis has been made. On the top of that, our bond funds hold a minimum of sustainable investments (SI) as well.

For Private Debt, the NEC (Net Environmental Contribution) is a methodology which is used for our investments in real assets. This score which is computed for our Infrastructure and Real Estate investments by an external expert enables to assess the environmental performance of our holdings compared to their sector.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion

○

○

○

○

(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

○

○

○

○

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 21	N/A	PUBLIC	Performance monitoring	1

During the reporting year, how did your organisation incorporate material ESG factors when monitoring private debt investments?

☒ (A) We used a qualitative ESG checklist

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

☒ (B) We assessed quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

☒ (C) We hired third-party consultants to do technical assessment on specific material ESG factors where internal capabilities were not available

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

☒ (D) We used industry body guidelines

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

☐ (E) We used another method to incorporate material ESG factors into the monitoring of private debt investments

☐ (F) We did not incorporate material ESG factors when monitoring private debt investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.

ESG is integrated into internal Financial Analyst research and ratings, under a proprietary approach. In their internal ratings, the analysts take into account the ESG specific existing problems, but also try to predict potential future problems that could arise, based on the structure of a group, its business, its specific habits or its culture (lack of group financial transparency, difficult access to management, group structure complexity, business model too dependent on financial markets, etc...). Being in fixed income, the analysts also take into account specific aspects which are not necessarily taken into account in standard ESG scores, such as the respect of bondholder interest. In some cases, criteria usually not desirable for equities are welcomed in fixed income (example: groups directed by families are usually very long term oriented, which is good for credit, but seen as negative on equities). Analysts take these aspects into account on their internal ratings. Portfolio managers will then assess the market spreads based on these ratings (both credit and ESG) when selecting bonds.

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?

As a percentage of your total labelled bonds:

(A) Third-party assurance	(2) >0–25%
(B) Second-party opinion	(5) >75%
(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)	(2) >0–25%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?

- ☐ (A) The bond's use of proceeds
- ☒ (B) The issuers' targets
- ☒ (C) The issuers' progress towards achieving their targets
- ☒ (D) The issuer profile and how it contributes to their targets
- ☐ (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in

- (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?

- ☒ (A) We engaged with the issuer
- ☒ (B) We alerted thematic bond certification agencies
- ☒ (C) We sold the security
- ☐ (D) We blacklisted the issuer
- ☐ (E) Other action
- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☐ (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ (A) Sustainability outcome #1

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☒ (1) The UN Sustainable Development Goals (SDGs) and targets

☐ (2) The UNFCCC Paris Agreement

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

☒ (1) Environmental

☒ (2) Social

☒ (3) Governance-related

☐ (4) Other

(3) Sustainability outcome name

SDG Fundamentals and SDG Alignment Data

(4) Number of targets set for this outcome

☐ (1) No target

☒ (2) One target

☐ (3) Two or more targets

☒ (B) Sustainability outcome #2

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets

☒ (2) The UNFCCC Paris Agreement

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☒ (1) **Environmental**
- ☐ (2) Social
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

BNPP AM Net Zero Roadmap

(4) Number of targets set for this outcome

- ☐ (1) No target
- ☒ (2) **One target**
- ☐ (3) Two or more targets

☒ (C) **Sustainability outcome #3**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (2) The UNFCCC Paris Agreement
- ☒ (3) **The UN Guiding Principles on Business and Human Rights (UNGPs)**
- ☒ (4) **OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
- ☐ (5) The EU Taxonomy
- ☒ (6) **Other relevant taxonomies**
- ☒ (7) **The International Bill of Human Rights**
- ☒ (8) **The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
- ☐ (9) The Convention on Biological Diversity
- ☒ (10) **Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

- ☒ (1) **Environmental**
- ☒ (2) **Social**
- ☒ (3) **Governance-related**
- ☐ (4) Other

(3) Sustainability outcome name

Promoting responsible business practices: Responsible Business Conduct Normative screening

(4) Number of targets set for this outcome

- ☐ (1) No target
- ☒ (2) **One target**
- ☐ (3) Two or more targets

☐ (D) Sustainability outcome #4

☐ (E) Sustainability outcome #5

☒ (F) **Sustainability outcome #6**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (2) The UNFCCC Paris Agreement
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☒ (9) **The Convention on Biological Diversity**
- ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☒ (1) **Environmental**
- ☐ (2) Social
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

(4) Number of targets set for this outcome

- (1) No target
- **(2) One target**

- (3) Two or more targets

☐ (G) Sustainability outcome #7

☐ (H) Sustainability outcome #8

☐ (I) Sustainability outcome #9

☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	SDG Fundamentals and SDG Alignment Data
(1) Target name	Understanding SDG Alignment
(2) Baseline year	2022
(3) Target to be met by	

(4) Methodology

We aim to understand how our investee companies align with the SDGs. The 17 United Nations Sustainable Development Goals are the closest thing humanity has to a roadmap for achieving a sustainable future for all. They outline an ambitious set of objectives to tackle inequality, end poverty and hunger and address climate change, while simultaneously encouraging inclusive and just economic outcomes. As part of our drive to discern our investments' sustainability outcomes, we created SDG Fundamentals to better understand how companies and portfolios we invest in are aligned or misaligned with the SDGs.

SDG Fundamentals was developed in collaboration between Matter and BNP Paribas Asset Management. SDG Fundamentals is a data solution for analysing how the different revenue streams generated by companies are aligned or misaligned to the SDGs. The dataset can provide alignment and misalignment figures across all 17 at individual SDG level (e.g., SDG 3); as well as at an individual SDG target level (e.g. SDG 3.3), for both single entity and portfolios.

Updated monthly and covering over 53 000 companies, the tool provides investors with a clear picture of how investments interact with the SDGs at the individual SDG, SDG target and aggregate SDG level.

SDG Fundamentals differentiates itself from other SDG alignment datasets in four core ways:

1. Each of a company's different revenue streams are mapped against the SDGs – the key being granularity, as some providers sometimes oversimplify an economic activity by e.g. assuming that healthcare companies always contribute to 'good health and wellbeing' – SDG 3. The reality is often more nuanced.
2. Economic activities can be either aligned or misaligned to the SDGs, highlighting sustainable development complexities and trade-offs – For example, a company that produces fruit can align with SDG 2, Zero Hunger, while also potentially having a negative impact on SDG 15, Life on Land.
3. It assesses all 17 SDGs – It treats every SDG as potentially investable, although not every underlying target is investable from a product and service perspective. It provides output for alignment/misalignment across all SDGs.
4. Conservative and realistic – It determines alignment/misalignment according to the underlying SDG targets and indicators, leveraging relevant UNSTAT metadata, rather than relying on investable 'themes'. When there is a lack of information, the activity is classed as 'potentially aligned' ('potentially misaligned').

We aim to expand the SDG alignment data available to our portfolios via Aladdin.

SDG Fundamentals has a number of different possible applications throughout the investment process. We aim to expand the use of SDG Fundamentals across our approach.

1. Regulatory compliance: increasingly, regulation is calling for data for which the SDGs can serve as a suitable proxy (i.e. alignment with the SDGs is one of the core pillars of BNPP AM's definition of 'sustainable investment' under SFDR - more details below).
2. ESG integration into investment processes, e.g. identifying sustainable thematic tailwinds or headwinds to inform investment decisions.
3. Exclusion/ identifying risks: Potentially identifying revenues that are misaligned to sustainable themes with a financially material impact.
4. Investment stewardship: engaging with companies to drive positive or negative change on sustainable development priorities.
5. Development of new thematic/impact products that are tilted towards one or several SDGs. Potentially relevant in the creation of Article 9 products under SFDR.

6. Fund level reporting: reporting linked to SFDR as well as sustainability/impact reporting for our thematic and impact funds (and beyond, eventually).

Based on BNPP AM's definitions of Sustainable Investment in the context of SFDR, SDG alignment is one of the pathways used to identify an issuer as 'sustainable' : an issuer is considered sustainable if it has more than 20% of its revenues aligned with the SDGs, and less than 20% of its revenues misaligned with the SDG. Full details can be found here: <https://docfinder.bnpparibas-am.com/api/files/14787511-CB33-49FC-B9B5-7E934948BE63>

(5) Metric used (if relevant)	Alignment Values of Companies: % of revenue aligned/potentially aligned, neutral, contested, potentially misaligned, misaligned
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	NA - the alignment figures are company specific and we have yet to/do not find it meaningful to establish a firm wide figure.
(8) Target level or amount (if relevant)	NA
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	(2) No
(B1) Sustainability Outcome #2: Target details	
(B1) Sustainability Outcome #2:	BNPPAM Net Zero Roadmap
(1) Target name	Reduce carbon footprint of our investments
(2) Baseline year	2019
(3) Target to be met by	2050

(4) Methodology

BNPP AM will reduce the carbon footprint of its investment portfolios for in-scope holdings from a 31 December 2019 baseline by 30% in 2025 (and by 50% in 2030).

We believe the emission reduction pathways encompassed in our commitment are consistent with the required reduction in global GHG emissions to achieve net zero emissions by 2050.

They are aligned with the 7% yearly decarbonisation rate in accordance with the IPCC's 1.5°C scenario with no or limited overshoot. We believe that a 50% reduction by 2030 will put us on track for net zero financed emissions by 2050.

We will review our commitment further and enhance it as needed.

This target may be refined once we evolve our approach to measuring scope 3 emissions.

Our Carbon footprint methodology is aligned with the European Union's Principal Adverse Impact (EU PAI) definition for carbon footprint.

The Carbon Footprint of a given issuer is defined as the ratio of the scope 1 and 2 emissions of a company to its respective EVIC:

$$CF = \frac{CO_2 e}{EVIC}$$

Further details on our carbon measurement methodology are available here:

<https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

In our Net Zero Roadmap published in November 2022, we formally introduce our net zero commitments, groups into 3 categories: Investments, stewardship and our operations.

Together, these 3 categories consist of 10 commitments that will bring us toward our goal of net zero financed emissions by 2050.

Investments

1. Reduce the carbon footprint of our in-scope corporate investments (Scopes 1 and 2)¹

a) -30% by 2025

b) -50% by 2030

2.

Align with net zero

a) 60% of in-scope investments to be Achieving, Aligned or Aligning with Net Zero (NZ:AAA) by 2030

b) 100% of in-scope investments to be NZ:AAA by 2040.

3.

Exit coal

- We will exclude mining companies that do not have a strategy to exit thermal coal activities, and power generators that still have coal capacity in their generation mix, in 2030 for European Union and OECD countries and in 2040 for the rest of the world.

4.

Invest in climate solutions

Substantially increase our climate and environmentally themed investments. We believe that sustainable thematic investing can contribute to the net zero transition by investing in companies that facilitate it. We aim to substantially increase our climate and environmental-themed investments.

Today, BNPP AM is one of the leaders in sustainable thematic investment, with more than EUR 21.4 billion in sustainable thematic funds that focus on environmental, climate and social themes.

5. Engage with our clients

- Engage with our clients to transition towards net zero investing with us.

Stewardship

6. Vote for climate action

a) Signal our expectation for companies to report on their carbon footprint, and for the world's largest greenhouse gas (GHG) emitters to set an ambition to achieve net zero by 2050 or sooner

b) Vote in favour of thoughtful shareholder proposals and submit proposals of our own to accelerate corporate action on climate change.

7. Engage with companies on net zero Implement an engagement strategy that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner. Our active membership in CA100+ is a core element of our plan to align corporate strategies with a net zero future.

CA100+ is a collective effort to engage the world's 167 largest corporate GHG emitters, supported by investors that collectively manage more than USD 68 trillion. BNPP AM serves as lead or co-lead investor with ten companies in CA100+, and actively supports 10 other dialogues in Europe, North America and Asia. Our CA100+ engagements include electric utilities, oil & gas and aviation, three industries that are critical for bringing about energy transition.

8. Advocate for NZ 2050 aligned climate policy Play an active role in advocating for net zero aligned policy, and seek to ensure that any relevant direct and indirect policy advocacy that we undertake is supportive of achieving global net zero emissions by 2050 or sooner.

Operations

9. Reduce our operational emissions footprint

- Continue to offset our operational emissions while we improve energy efficiency and use more green energy.

10. Report on progress Produce TCFD-aligned reporting.

Our ambition is to steadily grow the proportion of our holdings that fall within the scope of our commitment to reach net zero financed emissions by 2050.

Outside this perimeter, we will continue to work on improving the climate profile of our holdings as we have done for our passive investments. For those investments where measuring alignment is not yet possible due to the absence of a viable methodology or a lack of data (e.g., derivatives), BNPP AM will continue to work and engage with other stakeholders to find a way to expand the holdings covered by our commitment.

We published our progress on achieving our net zero commitment in our 2023 Sustainability report.

(5) Metric used (if relevant)	tCO ₂ /m€
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	91.72 tCO ₂ /m€
(8) Target level or amount (if relevant)	30% reduction by 2025, 50% reduction by 2030
(9) Percentage of total AUM covered in your baseline year for target setting	50%
(10) Do you also have a longer-term target for this?	(1) Yes

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3:	Promoting responsible business practices: Responsible Business Conduct Normative screening
(1) Target name	Promoting responsible business practices
(2) Baseline year	
(3) Target to be met by	

(4) Methodology	<p>We expect companies to meet their fundamental obligations to respect human and labour rights, protect the environment and ensure anti-corruption safeguards wherever they operate, in line with the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines). We rely on our Responsible Business Conduct Policy which sets out our exclusion policies and criterion, we also have a series of sector policies that set out the conditions for investing in sensitive sectors, and guide our screening requirements and stewardship activities. These criteria are based on relevant international conventions and regulations, BNP Paribas Group CSR Policies, and voluntary industry standards. In each sector, we highlight mandatory requirements which have to be met by issuers in order for BNP Paribas Asset Management to invest.</p>
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We exclude companies that violate these expectations. We rely on Sustainalytics as our data provider for controversies related to poor business practices and to identify the worst offenders.

We continue to strengthen and enhance our Responsible Business Conduct to reflect our evolving expectations for companies.

We aim to increase the scope of our portfolios that are compliant with our Responsible Business Conduct.

(5) Metric used (if relevant)	AUM integrating Responsible Business Conduct Policy
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	306.8 billion integrating ESG Criteria/RBC - 61.23% (Dec 2022)
(9) Percentage of total AUM covered in your baseline year for target setting	61.23%
(10) Do you also have a longer-term target for this?	(2) No

(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	BNPPAM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems
(1) Target name	Integrating Biodiversity into our approach
(2) Baseline year	2022
(3) Target to be met by	
(4) Methodology	<p>Biodiversity Roadmap</p> <p>We are expanding the incorporation of biodiversity into our approach to ESG integration: we have embarked on our first step to understand our own dependencies and impacts. We first published our biodiversity roadmap in 2021: https://docfinder.bnpparibas-am.com/api/files/940B42EF-AFFF-4C89-8C32-D9BFBA72BF24.</p>

We have developed a biodiversity roadmap based on the six pillars of our approach to sustainability.

1. Integration of environmental, social & governance (ESG) considerations

We are expanding the incorporation of biodiversity into our approach to ESG integration. We have used a variety of tools to understand our own dependencies and impacts, and conducted analysis of our global assets under management (AUM) to understand our exposure to water and deforestation risks.

2. Stewardship

We are expanding the incorporation of biodiversity in our voting and corporate engagements and will engage with the industries having the greatest adverse impacts on biodiversity, with a core focus on deforestation and water issues.

- Our proxy votes will continue to support shareholder proposals on climate, deforestation and other critical environmental issues.
- Our public policy advocacy will increasingly incorporate biodiversity considerations.

3. Responsible business conduct

On an ongoing basis, we are enhancing the assessment of biodiversity issues in our approach to responsible business conduct. Our investment portfolios are built on a comprehensive set of sectoral policies that address a wide range of environmental issues.

4. Forward-looking perspective

We have undertaken a number of collaborative projects to enhance the quality and availability of biodiversity data.

For example, participating in the development of a Taskforce for Nature-related Financial Disclosures.

5. Investment Solutions for sustainability

We will provide our clients with a range of solutions targeted at solving biodiversity related challenges – We are offering a range of thematic funds focused on biodiversity themes, including our Blue Economy ETF and Ecosystem Restoration funds

6. ‘Walking the talk’ through corporate social responsibility (CSR)

We manage the biodiversity impacts of our operations • We will educate colleagues and the industry about key environmental challenges: – We have a long-term goal to send zero waste to landfill, to eliminate single-use plastic in our offices and reduce our consumption

Biodiversity Footprinting

We have used a variety of tools to understand our own dependencies and impacts, and conducted analysis of our global assets under management (AUM) to understand our exposure to water and deforestation risks.

We worked with Iceberg Data Lab and have published our initial research findings and our first portfolio biodiversity footprint in 2022, which can be found here:

<https://docfinder.bnpparibas-am.com/api/files/60B8656F-6A6F-4A35-9244-A997DCCB59FD>

The Iceberg Data Lab and I Care & Consult Corporate Biodiversity Footprint uses environmental input-output modelling and life cycle assessment data to quantify environmental pressures along the entire supply chain of a given company, using asset-level data where available.

The GLOBIO3 model is then used to link quantified environmental pressures to biodiversity loss. This first biodiversity footprint assessment enables us to establish a baseline against which we can monitor our future performance. It also provides a high-level compass to identify where closer analysis of individual issuers is warranted. This complements the suite of tools and analysis our ESG analysts perform at the sector and issuer level, and helps to identify key targets for direct engagement by our stewardship team and portfolio managers.

We aim to continue to ensure that investment decision-making is informed by biodiversity considerations, particularly for key industries. We are also working towards advancing the understanding of biodiversity issues in the investment and corporate communities

We aim to expand the incorporation of biodiversity in our voting and corporate engagements.

We are constantly evolving our Stewardship policies to include more biodiversity considerations. We are expanding the incorporation of biodiversity in our voting and corporate engagements. We will engage with the industries having the greatest adverse impacts on biodiversity, with a core focus on deforestation and water issues.

- Our expectations for corporations extend from board oversight of biodiversity impacts and dependencies to proactive lobbying for nature-positive public policies.
- We will continue to work to build a collaborative investor stewardship initiative to address biodiversity loss. We recently announced the launch of Nature Action 100 at COP15, a collaborative investor initiative with the objective to reverse nature loss, where we were part of the launching investor group.

(5) Metric used (if relevant)	km2 MSA / m EUR Our full methodology can be found here: https://docfinder.bnpparibas-am.com/api/files/60B8656F-6A6F-4A35-9244-A997DCCB59FD
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	approximately -0.06 km2 MSA per million EUR invested (2022), which means that for each million EUR invested in our funds, six fully degraded hectares are potentially maintained each year.
(8) Target level or amount (if relevant)	

(9) Percentage of total AUM covered in your baseline year for target setting 70%

(10) Do you also have a longer-term target for this? (2) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(B1) Sustainability Outcome #2: BNPPAM Net Zero Roadmap	Reduce carbon footprint of our investments		Currently the AUM of in-scope assets excludes any investments in sovereign bonds, agency debt, derivatives and private assets to focus only on our holdings of publicly-traded corporate debt at this stage due to barriers in terms of data integrity and limitations in methodology. Our ambition is to steadily grow the proportion of our holdings that fall within the scope of our commitment to reach net zero financed emissions by 2050.

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- ☒ (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- ☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- ☒ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
 - ☐ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
 - ☐ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net zero targets per asset class.

- (A) PRI asset class breakdown
 - ☒ Listed equity

Target details

(A) PRI asset class breakdown: Listed equity

(1) Baseline year 2019

(2) Target to be met by 2025

(3) Emissions included in target (1) Scope 1
(2) Scope 2

(4) Methodology

BNPP AM will reduce the carbon footprint of its investment portfolios for in-scope holdings (including Equity) from a 31 December 2019 baseline by 30% in 2025 (and by 50% in 2030). This reduction target is based on the total in-scope holdings rather than only our equity holdings.

Based on our current asset allocation, we have decided to focus on listed equities and corporate bonds to be included in the scope of our net zero commitment.

We believe the emission reduction pathways encompassed in our commitment are consistent with the required reduction in global GHG emissions to achieve net zero emissions by 2050. They are aligned with the 7% yearly decarbonisation rate in accordance with the IPCC's 1.5°C scenario with no or limited overshoot. While we acknowledge that the baseline year used to calculate the decarbonisation of our portfolios is later than the 2010 starting point of the IPCC scenario, we believe that a 50% reduction by 2030 will put us on track for net zero financed emissions by 2050.

We will review our commitment further and enhance it as needed.
This target may be refined once we evolve our approach to measuring scope 3 emissions.

The Carbon Footprint of a given issuer is defined as the ratio of the scope 1 and 2 emissions of a company to its respective Enterprise Value Including Cash (EVIC):
$$CF = \frac{CO_2 e}{EVIC}$$

Scope 3 emissions are not included in the calculation as the measurement of these emissions is not yet standardised or considered reliable enough to be used in reporting.

Given the importance of Scope 3 emissions in most sectors, we are evolving our approach to calculating Scope 3 emissions with the aim of including them in the future.

Our Carbon footprint methodology is aligned with the European Union's Principal Adverse Impact (EU PAI) definition for carbon footprint.

Further

BNPP AM will reduce the carbon footprint of its investment portfolios for in-scope holdings (including Equity) from a 31 December 2019 baseline by 30% in 2025 (and by 50% in 2030). This reduction target is based on the total in-scope holdings rather than only our equity holdings.

Based on our current asset allocation, we have decided to focus on listed equities and corporate bonds to be included in the scope of our net zero commitment.

We believe the emission reduction pathways encompassed in our commitment are consistent with the required reduction in global GHG emissions to achieve net zero emissions by 2050.

They are aligned with the 7% yearly decarbonisation rate in accordance with the IPCC's 1.5°C scenario with no or limited overshoot. While we acknowledge that the baseline year used to calculate the decarbonisation of our portfolios is later than the 2010 starting point of the IPCC scenario, we believe that a 50% reduction by 2030 will put us on track for net zero financed emissions by 2050.

We will review our commitment further and enhance it as needed.

This target may be refined once we evolve our approach to measuring scope 3 emissions.

The Carbon Footprint of a given issuer is defined as the ratio of the scope 1 and 2 emissions of a company to its respective Enterprise Value Including Cash (EVIC):

$$CF = \frac{CO_2e}{EVIC}$$

Scope 3 emissions are not included in the calculation as the measurement of these emissions is not yet standardised or considered reliable enough to be used in reporting.

Given the importance of Scope 3 emissions in most sectors, we are evolving our approach to calculating Scope 3 emissions with the aim of including them in the future.

Our Carbon footprint methodology is aligned with the European Union's Principal Adverse Impact (EU PAI) definition for carbon footprint.

Further details on our methodology are available here: <https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

We have substantially reduced the carbon footprint of our portfolios since 2019. While it is difficult to isolate the various factors that led to this reduction, we have implemented a number of measures over the last few years that have impacted our financed emissions.

The reduction of our carbon footprint can also be due to the reduction of the carbon footprint of invested companies.

Our 2023 carbon footprint data is from September and does not yet reflect the 2023 carbon footprints of the companies we invest in. We use the latest available data to calculate carbon footprints, meaning that we are largely using prior year data. This means that the carbon footprint reduction we have experienced in 2023 might, at this stage and until we have the updated carbon data, reflect a selection effect (e.g., a reduced weighting in high carbon intensive companies) rather than a change in carbon emissions of invested companies themselves. We continue to work with data providers to look for ways to access more timely data but for the time being, we accept that there will be a lag in reported emissions.

(5) Metric used	(9) Other
(6) Baseline amount	91.72 tCO ₂ /m€
(7) Current amount (if different from baseline amount)	38.37 tCO ₂ /m€
(8) Targeted reduction with respect to baseline	30%
(9) Percentage of total AUM covered in your baseline year for target setting	50%

(10) If coverage is below 100% for this asset class, explain why

The coverage percentage mentioned earlier is based on our total assets under management, please note that this percentage cover all our in-scope AUM including Equity holdings.

Equity assets which have not been included in our initial NZ commitment scope include mandates where clients have not yet adopted our Responsible Business Conduct Policy, our advisory business, [some] affiliate businesses and [some] sub-advised funds.

Our ambition is to steadily grow the proportion of our holdings that fall within the scope of our commitment to reach net zero financed emissions by 2050.

Please note that our net zero commitment is made based on our in-scope holdings rather than at a specific asset class. Further details on the definition of our scope are available in the section others.

☒ **Fixed income**

Target details

(A) PRI asset class breakdown: Fixed income

(1) Baseline year 2019

(2) Target to be met by 2025

(3) Emissions included in target (1) Scope 1
(2) Scope 2

(4) Methodology

BNPP AM will reduce the carbon footprint of its investment portfolios for in-scope holdings (including Equity) from a 31 December 2019 baseline by 30% in 2025 (and by 50% in 2030). This reduction target is based on the total in-scope holdings rather than only our equity holdings.

Based on our current asset allocation, we have decided to focus on listed equities and corporate bonds to be included in the scope of our net zero commitment.

We believe the emission reduction pathways encompassed in our commitment are consistent with the required reduction in global GHG emissions to achieve net zero emissions by 2050. They are aligned with the 7% yearly decarbonisation rate in accordance with the IPCC's 1.5°C scenario with no or limited overshoot. While we acknowledge that the baseline year used to calculate the decarbonisation of our portfolios is later than the 2010 starting point of the IPCC scenario, we believe that a 50% reduction by 2030 will put us on track for net zero financed emissions by 2050.

We will review our commitment further and enhance it as needed. This target may be refined once we evolve our approach to measuring scope 3 emissions.

The Carbon Footprint of a given issuer is defined as the ratio of the scope 1 and 2 emissions of a company to its respective Enterprise Value Including Cash (EVIC):

$$CF = (CO_2 e) / EVIC$$

Scope 3 emissions are not included in the calculation as the measurement of these emissions is not yet standardised or considered reliable enough to be used in reporting. Given the importance of Scope 3 emissions in most sectors, we are evolving our approach to calculating Scope 3 emissions with the aim of including them in the future.

Our Carbon footprint methodology is aligned with the European Union's Principal Adverse Impact (EU PAI) definition for carbon footprint. Further details on our methodology are available here: <https://www.bnpparibas-am.com/en/measuring-carbon-footprints/>

We have substantially reduced the carbon footprint of our portfolios since 2019. While it is difficult to isolate the various factors that led to this reduction, we have implemented a number of measures over the last few years that have impacted our financed emissions.

The reduction of our carbon footprint can also be due to the reduction of the carbon footprint of invested companies. Our 2023 carbon footprint data is from September and does not yet reflect the 2023 carbon footprints of the companies we invest in. We use the latest available data to calculate carbon footprints, meaning that we are largely using prior year data. This means that the carbon footprint reduction we have experienced in 2023 might, at this stage and until we have the updated carbon data, reflect a selection effect (e.g., a reduced weighting in high carbon intensive companies) rather than a change in carbon emissions of invested companies themselves. We continue to work with data providers to look for ways to access more timely data but for the time being, we accept that there will be a lag in reported emissions.

(5) Metric used	(9) Other
(6) Baseline amount	91.72 tCO ₂ /m€
(7) Current amount (if different from baseline amount)	38.37 tCO ₂ /m€
(8) Targeted reduction with respect to baseline	30%
(9) Percentage of total AUM covered in your baseline year for target setting	50%
(10) If coverage is below 100% for this asset class, explain why	Assets which have not been included in our initial NZ commitment scope include mandates where clients have not yet adopted our Responsible Business Conduct Policy, our advisory business, [some] affiliate businesses and [some] sub-advised funds. Additionally, we have removed from the AUM of in-scope assets any investments in sovereign bonds, agency debt, derivatives and private assets to focus only on our holdings of publicly-traded corporate debt at this stage.

Our ambition is to steadily grow the proportion of our holdings that fall within the scope of our commitment to reach net zero financed emissions by 2050. The coverage percentage mentioned earlier is based on our total assets under management, please note that this percentage covers all our in-scope AUM including Corporate Fixed income holdings.

Fixed income assets which have not been included in our initial NZ commitment scope include mandates where clients have not yet adopted our Responsible Business Conduct Policy, our advisory business, [some] affiliate businesses and [some] sub-advised funds.

Additionally, we have removed from the AUM of in-scope assets any investments in sovereign bonds, agency debt, derivatives and private assets to focus only on our holdings of publicly-traded corporate debt at this stage. Our ambition is to steadily grow the proportion of our holdings that fall within the scope of our commitment to reach net zero financed emissions by 2050.

Please note that our net zero commitment is made based on our in-scope holdings rather than at a specific asset class.

- ☐ Private equity
- ☐ Real estate
- ☐ Infrastructure
- ☐ Hedge funds
- ☐ Forestry
- ☐ Farmland
- ☐ Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.3	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your net-zero targets for specific mandates or funds.

☒ (A) Fund or mandate #1

(1) Name of mandate or fund

BNP Paribas Easy MSCI USA SRI S-Series PAB 5% Capped

(2) Target details

Baseline year: Positioning to Paris Aligned Benchmark (PAB) in December 2021

Emissions included in target: Scope 1, 2 and 3

Methodology: the strategy follows these PAB Minimum standards:

- Minimum reduction in Greenhouse Gas (GHG) Intensity relative to EVIC (Scope 1+2+3) relative to the Reference Index: at least 50%

- Minimum average reduction (per annum) in GHG Intensity (relative to EVIC) relative to GHG Intensity of the index at the Base Date: at least 7%

Metric(s) used: GHG intensity expressed in tons CO2/\$ Million Enterprise Value Including Cash

Baseline amount: GHG intensity: 102.8 t CO2/\$m EVIC (December 2021)

Current amount: GHG intensity: 110.07 CO2/\$m EVIC (December 2023)

Asset classes covered: Equity

Fund or mandate's AUM at the baseline year AUM: 2.87B€ as of December 2021

☒ **(B) Fund or mandate #2**

(1) Name of mandate or fund

BNP Paribas Easy Low Carbon 100 Europe PAB

(2) Target details

Baseline year: Positioning to PAB in December 2020

Emissions included in target: Scope 1, 2 and 3

Methodology: The strategy follows these PAB Minimum standards:

- Minimum reduction in Greenhouse Gas (GHG) Intensity relative to EVIC (Scope 1+2+3) relative to the Reference Index: at least 50%

- Minimum average reduction (per annum) in GHG Intensity (relative to EVIC) relative to GHG Intensity of the index at the Base Date: at least 7%

Metric(s) used: Weighted average carbon intensity (WACI) expressed in tons of CO2e per year per million EUR of enterprise value including cash

Baseline amount: Trajectory: 163 t CO2/\$m EVIC (April 2022)

Current amount: Trajectory: 151 t CO2/\$m EVIC (April 2023).

We provide this information as at end of April 2023 instead of December 2022, to provide 1 year data.

Asset classes covered: Equity

Fund or mandate's AUM at the baseline year AUM: 844M€ as of December 2020.

☒ **(C) Fund or mandate #3**

(1) Name of mandate or fund

BNP Paribas Easy ESG Eurozone Biodiversity Leaders PAB

(2) Target details

Baseline year: Positioning to PAB at launch date in August 2022

Emissions included in target: Scope 1, 2 and 3

Methodology: The strategy follows these PAB Minimum standards:

- Minimum reduction in Greenhouse Gas (GHG) Intensity relative to EVIC (Scope 1+2+3) relative to the Reference Index: at least 50%
- Minimum average reduction (per annum) in GHG Intensity (relative to EVIC) relative to GHG Intensity of the index at the Base Date: at least 7%

Metric(s) used: Weighted average carbon intensity (WACI) expressed in tons of CO₂e per year per million EUR of enterprise value including cash

Baseline amount: Trajectory: 333 t CO₂/\$m EVIC (September 2022)

Current amount: 283.87 CO₂/\$m EVIC (December 2023)

Asset classes covered: Equity

Fund or mandate's AUM at the baseline year AUM: 44M€ as of September 2022

☐ (D) Fund or mandate #4

☐ (E) Fund or mandate #5

☒ (F) Fund or mandate #6

(1) Name of mandate or fund

BNP Paribas Euro Climate Aligned

(2) Target details

- Baseline year: February 2022
- Emissions included in target : Scope 1,2 & 3 (If more than 40% of total GHG emissions).
- Methodology: The eligibility of companies is assessed following an analysis of their climate ambition and their climate performance using a proprietary approach. The portfolio is then constructed in line with the "Paris Aligned Benchmark" ("PAB") standards which require a reduction in the carbon footprint compared to the initial investment universe of -50%, an annual reduction of carbon footprint of the portfolio of -7%, a ratio of green share / brown share of the portfolio significantly higher than the investment universe and an exposure to the sectors which contribute the most to climate change at least equivalent to the exposure of the starting universe.
- Metric(s) used: Carbon footprint - tCO₂e per m€
- Baseline amount: 46.5 tCO₂e per m€ (February 2022)
- Current amount: 32.19 tCO₂e per m€ (March 2024)
- Asset classes covered: Equity
- Fund or mandate's AUM at the baseline year: 95M€ as of 4th February 2022.

☐ (G) Fund or mandate #7

☐ (H) Fund or mandate #8

☐ (I) Fund or mandate #9

☐ (J) Fund or mandate #10

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: SDG Fundamentals and SDG Alignment Data

Target name: Understanding SDG Alignment

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(B1) Sustainability outcome #2:

(B1) Sustainability outcome #2: BNPPAM Net Zero Roadmap

Target name: Reduce carbon footprint of our investments

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(C1) Sustainability outcome #3:

(C1) Sustainability outcome #3: Promoting responsible business practices: Responsible Business Conduct Normative screening

Target name: Promoting responsible business practices

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(F1) Sustainability outcome #6:

(F1) Sustainability outcome #6: BNPPAM Biodiversity Roadmap

Target name: Integrating Biodiversity into our approach

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: SDG Fundamentals and SDG Alignment Data

(1) Target name: Understanding SDG Alignment

(2) Target to be met by

(3) Metric used (if relevant): Alignment Values of Companies: % of revenue aligned/potentially aligned, neutral, contested, potentially misaligned, misaligned

(4) Current level or amount (if relevant)

(5) Other qualitative or quantitative progress: Currently we have made SDG alignment figures available for all our funds in a spreadsheet format and are working to make some of the headline issuer-level figures available in our front-to-end management tool, Aladdin. These SDG figures are leveraged indirectly for the creation of investment universes of article 8/9 products via sustainable investment commitments and more directly for the creation of specific article 9 thematic products.

(6) Methodology for tracking progress: SDG Fundamentals Dataset

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	BNPP AM Net Zero Roadmap
(1) Target name	Reduce carbon footprint of our investments
(2) Target to be met by	2050
(3) Metric used (if relevant)	tCO ₂ /m€
(4) Current level or amount (if relevant)	38.37 tCO ₂ /m€ (as of end 2023, vs baseline of 91.72 tCO ₂ /m€ in 2019)
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3:	Promoting responsible business practices: Responsible Business Conduct Normative screening
(1) Target name	Promoting responsible business practices
(2) Target to be met by	
(3) Metric used (if relevant)	AUM integrating Responsible Business Conduct Policy
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	In 2023, we've enhanced our responsible business conduct policies in several ways. We incorporated mandatory engagement criteria for the agriculture, pulp production, forestry and palm oil companies to reflect our strengthened biodiversity related expectation for companies.
(6) Methodology for tracking progress	

(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	BNPP AM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems
(1) Target name	Integrating Biodiversity into our approach
(2) Target to be met by	
(3) Metric used (if relevant)	km2 MSA / m EUR Our full methodology can be found here: https://docfinder.bnpparibas-am.com/api/files/60B8656F-6A6F-4A35-9244-A997DCCB59FD
(4) Current level or amount (if relevant)	We aim to reduce the environmental footprint of our investments. In 2022, our financed biodiversity footprint was approximately -0.06 km2 MSA per million EUR invested In 2023, our financed biodiversity footprint was approximately -0.04 km2 MSA per million EUR invested
(5) Other qualitative or quantitative progress	<p>We aim to increase the portion of our AUMs that we include in the scope of BNPP AM biodiversity footprint.</p> <p>in 2022, we assessed 1800 corporate issuers, representing 70% of BNPP AM's corporate AUM only</p> <p>in 2023, we assessed 2887 corporate issuers, representing 55% of BNPP AM's total AUM</p> <p>We aim to continue to pilot publicly available tools to give feedback on their use-case for investors</p> <p>In 2023, we piloted the WWF Risk Filter tool suite: docfinder.bnpparibas-am.com/api/files/1D232FB6-19E4-4679-A7E0-80DA475ACDD6</p> <p>We aim to continue to publish biodiversity deep-dives to take stock of our research efforts with our stakeholders</p>

In 2023, we quantitatively assessed the exposure of our corporate holdings to potential deforestation and conversion of natural ecosystems through corporate production and consumption of forest and ecosystem-risk commodities (FERCs). We published our findings in the paper titled: Exploring the roots of our exposure to deforestation, which can be found at : <https://docfinder.bnpparibas-am.com/api/files/3F133AE1-6792-438F-8786-2D3C39D04D35>

This study enables us to further identify the companies on which we want to focus our research and engagement, such as: 1 - companies in relevant sectors that report only partial quantitative data and/or no quantitative data; 2- companies in our portfolios that potentially drive the largest share of deforestation and conversion of natural ecosystems and that do not have strong No Deforestation, No Peat, No Exploitation (NDPE) policies or traceability systems, and; 3 - companies that claim deforestation-free production and consumption, but have not put in place strong traceability systems.

(6) Methodology for tracking progress

The Iceberg Data Lab and I Care & Consult Corporate Biodiversity Footprint research and methodology

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☐ (B) Stewardship: engagement with external investment managers
- ☒ (C) Stewardship: engagement with policy makers
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (D) Stewardship: engagement with other key stakeholders
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (E) Capital allocation
 - ☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	We believe that engagement is generally more effective than exclusion but divestment can be effective as a last resort. As a last resort, we may divest entities which do not respond to engagement and show no signs of improving and are therefore considered as not in line with our RBC.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	SDG Fundamentals and SDG Alignment Data
(1) Capital allocation activities used	
(2) Explain through an example	

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:	BNPP AM Net Zero Roadmap
(1) Capital allocation activities used	
(2) Explain through an example	

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:	Promoting responsible business practices: Responsible Business Conduct Normative screening
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	<p>Through the review of our Responsible Business Conduct exclusion list and watchlist, we engaged with 10 companies in 2023 spanning all three regions in relation to the following aspects of our RBC Policies: Agriculture, coal, oil and gas, timber and wood pulp, palm oil and consumer interests. Some engagements resulted in the issuers providing sufficient information or assurance and remained on our watchlist, while others were excluded if it did make sufficient progress.</p> <p>For example, we engaged with an issuer in the energy sector. In the second half of 2021, we placed this company on our Watchlist. We were concerned about potential breaches of the UN Global Compact's Principle 1 on Human Rights. Our main concern was the company's poor safety performance record with a series of fatal accidents over recent years, which revealed systemic failures in its management of occupational health and safety.</p> <p>We held several engagement meetings with the company between 2021 and 2023. Although the company was responsive to our dialogue and claimed it intended to reinforce its sustainability strategy, it did not provide sufficient assurance that it was actually implementing adequate corrective measures to prevent further accidents. For example, it did not progress in the adoption of responsible safety targets in line with peer practice. As such we concluded that the company was in breach with our RBC Policy and excluded it from our portfolios.</p>

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6:	BNPP AM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems
(1) Capital allocation activities used	
(2) Explain through an example	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

Thematic bond(s) label

(A) Sustainability Outcome #1:
SDG Fundamentals and SDG
Alignment Data

(A) Green/climate bonds
(B) Social bonds
(C) Sustainability bonds

(B) Sustainability Outcome #2:
BNPP AM Net Zero Roadmap

(A) Green/climate bonds
(B) Social bonds
(C) Sustainability bonds

(C) Sustainability Outcome #3:
Promoting responsible business
practices: Responsible Business
Conduct Normative screening

(F) Sustainability Outcome #6:
BNPP AM Biodiversity Roadmap -
Understanding our biodiversity
dependencies and managing our
impact on ecosystems

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

At BNP Paribas Asset Management (BNPP AM), we are committed to being a “future maker”, using our investments and our influence with companies and policy-makers to advocate for low-carbon, environmentally sustainable, and inclusive economies. We use three tools – voting, engagement, and public policy advocacy – to encourage issuers to improve their performance and accountability on sustainability topics, and to urge policy-makers to deliver legislation, regulation and standards that promote sustainable, equitable development. These activities help us to better manage ESG risks in the near- and long-term, enhance our knowledge and understanding as an investor, and generate positive impact – all of which benefit our clients.

(2) Stewardship tools or activities used

(1) Engagement
(2) (Proxy) voting at shareholder meetings
(3) Filing of shareholder resolutions or proposals
(8) Litigation

(3) Example

Engagement:

CLIMATE ACTION 100+: ACHIEVING THE NET ZERO COMPANY BENCHMARK

BNPP AM leads, or co-leads, engagement with ten companies: Iberdrola, Danone, Nestlé, Saint-Gobain, Repsol, Stellantis, Sinopec, Power Assets Holdings, PTT Pcl and Exxon Mobil.

The goal of our engagement is that companies meet all of the expectations embedded in the Net Zero Company Benchmark (NZCB). During the first three quarters of 2023 we continued to engage with CA100+ companies based on the engagement plan linked to the 2022 NZCB results. Then, following the release of the 2023 NZCB in October 2023, we started to prepare for the next engagement cycle (from October 2023 to September 2024). We developed engagement plans with participating investors as required by CA100+ and submitted them to the initiative's secretariat.

We had the most extensive and productive engagement with Repsol, Nestlé and Power Assets.

ACTIVITY: We engaged with Repsol in each quarter of 2023. During our exchanges, the main requests we made of the company, many of which we had made in previous years. We made some progress with the company on some points but not on others. Repsol confirmed that it follows the NZCB closely and strives to improve where feasible. It committed to provide feedback to IIGCC on the draft NZ sector standard. However, it did not commit to incorporate Scope 3 emissions within its targets, nor agree to bring its CII calculation method into line with industry practice. CK Hutchinson (Power Asset Holdings is a subsidiary) made a group-wide commitment of reducing Scope 1 and 2 emissions by 50% by 2035 versus a 2020 baseline, as well as a commitment to pursue net zero emissions across its value chain by 2050. Power Assets has also committed to a 67% reduction goal by 2035.

Proxy Voting

IMPROVING BOARD INDEPENDENCE AND GENDER DIVERSITY

One set of expectations in our voting policy is that boards have sufficient independence and gender diversity. Extensive evidence shows that companies with more diverse boards or management teams generate more sustainable value creation over the long term. Our goal is for 40% of all board members to be women by 2025 in all markets. We set out our expectations on gender diversity in our 2022 voting policy: for Europe, North America, Australia, South Africa and New Zealand, we expected a minimum of 30% female board membership, and in Latin America, Asia, Middle East and Africa (ex. South Africa) our threshold was 15%. (Under certain conditions, we will support boards with a ratio just below this, for example, if the company has made significant improvements in recent years or commits to reaching our thresholds within two years.) Ahead of the 2023 AGM season, we published a global study of the proportion of women on the boards of the 3,500 companies in which BNPP AM invests with the 17,000 listed companies in the ISS database. The study demonstrates the effectiveness of BNPP AM's voting policy and shareholder dialogue finding that women make up an average of 25% of the boards of the companies in which BNPP AM invests, compared to 18% for the broader universe of listed companies. This study was also reconducted in 2024.

Shareholder resolution

UPS: Paris-aligned Climate Lobbying

We are working to encourage companies to align their direct and indirect climate lobbying activities (i.e., those conducted by their industry associations) with the temperature goals of the Paris Agreement. Specifically, we ask companies to produce annual reports on these efforts, consistent with the Global Standard on Responsible Corporate Climate Lobbying, which we helped launch. In 2022, we co-filed a shareholder proposal at the AGM of United Parcel Service (UPS) with Mercy Investment Services, requesting that the company publish its first climate lobbying report. This advisory resolution received a 33% vote. As discussions with the company did not appear to be making progress during the remainder of the year, we resubmitted the proposal for the 2023 proxy season. We had further discussions with the company in early January; the tone of the conversation was far more constructive. In late January, we reached agreement with UPS to publish its first climate lobbying report, no later than the second quarter of 2024. In exchange, we withdrew the shareholder proposal and, due to the timing, agreed not to resubmit the proposal for next year.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: SDG Fundamentals and SDG Alignment Data

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: BNPP AM Net Zero Roadmap

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Promoting responsible business practices: Responsible Business Conduct Normative screening

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: BNPP AM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☒ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

Per our Stewardship Policy, our decision to engage with a company is two-fold, topical and practical. In particular, we prioritise companies based on the following considerations, aimed to select the most strategic companies to engage with: "The size of our holdings", "Reasonable access to the company, directly or via our JVs or Delegated managers", "Our past experience of engagement with the company and the company's degree of responsiveness to the issue".

In practice, as an illustration:

- On engagement related to corporate governance and voting, we prioritise top holdings, large active positions, and holdings that represent a substantial percentage of companies in question. (p.72 of our 2023 Sustainability Report <https://docfinder.bnpparibas-am.com/api/files/f25fbc8f-d674-419f-93ca-78f1fa3a3ca5>)

Select from the list:

☒ 1

☐ 4

☒ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

Per our Stewardship Policy, our decision to engage with a company is two-fold, topical and practical. In particular, we prioritise companies to engage with based on the following considerations, assessing the connection between issuers and sustainability outcomes:

- "The role the issuer plays in creating or exacerbating the risk to be addressed" (e.g., for a climate change engagement, whether the company is a heavy GHG emitter);

- 'The importance of the issue for the company and the industry in which the company operates'. Per our Stewardship Policy (page 5), we undertake three main types of engagement: engagement related to corporate governance and voting, thematic engagement, and engagement linked to ESG performance.

As examples:

- As part of governance and voting-related engagement, as an example, we aim to engage all our top holdings in the beginning of the year to provide them with our updated voting guidelines and engagement priorities for the year (p.55 of 2022 Sustainability Report).

- As part of ESG performance-related engagement, we aim to avoid investing in weakly rated entities in active portfolios without documenting the risks and/or engaging or planning to actively engage in the near future (p.6 ESG Integration Guidelines).

- As part of thematic engagement, we prioritise issuers that are the most material to achieving our sustainable investment and stewardship objectives, outlined in our Global Sustainability Strategy through the "3Es" i.e. Energy Transition, Environmental Sustainability, Equality and Inclusive Growth (p.56 of 2022 Sustainability Report). Given our global presence and the wide geographic scope of our clients' holdings, we endeavour to engage consistently across all regions on key ESG issues and in line with the 3Es. We seek to establish in-depth dialogues with companies, for example, encouraging them to:

• Align their strategies with the goals of the Paris Agreement;

Select from the list:

☒ 2

☐ 4

☒ (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

Describe how you do this:

Per our Stewardship Policy , we undertake three main types of engagement: engagement related to corporate governance and voting, thematic engagement, and engagement linked to ESG performance.

As examples:

- As part of governance and voting-related engagement, as an example, we aim to engage all our top holdings in the beginning of the year to provide them with our updated voting guidelines and engagement priorities for the year (p.72 of 2024 Sustainability Report).

- As part of ESG performance-related engagement, we aim to avoid investing in weakly rated entities in active portfolios without documenting the risks and/or engaging or planning to actively engage in the near future (p.6 ESG Integration Guidelines).

- As part of thematic engagement, we prioritise issuers that are the most material to achieving our sustainable investment and stewardship objectives, outlined in our Global Sustainability Strategy through the “3Es” i.e. Energy Transition, Environmental Sustainability, Equality and Inclusive. Given our global presence and the wide geographic scope of our clients' holdings, we endeavour to engage consistently across all regions on key ESG issues and in line with the 3Es. We seek to establish in-depth dialogues with companies, for example, encouraging them to:

- Align their strategies with the goals of the Paris Agreement;
- Improve their environmental footprint, e.g., improving their water efficiency, committing to eliminate deforestation from their operations and supply chains;
- Provide greater opportunities for women at all levels of the organization;
- Adopt more equitable and transparent remuneration policies that ensure that wealth is more fairly distributed across the value chain, where value is created.

Select from the list:

☒ 3

☐ 4

☐ (D) Other

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

BNPP AM has a long-standing commitment to policy advocacy to advance our sustainability goals, contribute to a well-functioning financial system and mitigate systemic risks. We believe that helping to shape legal frameworks, regulation, standards and guidance is integral to the fulfilment of our fiduciary duties to our clients.

One of the core tenets of the Principles for Responsible Investment, to which we are a signatory, is participation 'in the development of policy, regulation, and standard setting (such as promoting and protecting shareholder rights)'.

We also operate within the provisions of the Group's Charter for Responsible Representation with Respect to the Public Authorities. O

Our Public Policy Stewardship strategy is available on our website. We contribute to initiatives at the international, regional and national levels on matters relating to sustainable finance, corporate governance and disclosure, as well as on a wide range of sustainability issues.

While we sometimes meet agencies and policy makers individually, we favour engagements undertaken in partnership with other investors, in formal or informal networks, wherever possible.

Given the important role played by accounting and other professional bodies, we also aim to shape the standards and guidance they develop and oversee. Our approaches include:

- Public submissions to legislators, regulators and multilateral institutions, e.g., responding to public consultations;
- Participation in the development of policy proposals in public and private fora, such as technical advisory committees and investor associations;
- Meetings with policymakers;
- Publication of white papers; and
- Endorsement of public statements and commitments developed by investor and other stakeholder initiatives.

(2) Engagement tools or activities used

- (1) We participated in 'sign-on' letters
- (2) We responded to policy consultations
- (3) We provided technical input via government- or regulator-backed working groups
- (4) We engaged policy makers on our own initiative

(1) We participated in several letters to express our support for select issues. A list of investor statements and letters signed since 2021 can be found on page 33 of our 2023 Sustainability Report.

(3) Example(s) of policies engaged on

(2) In 2023, we took part in numerous consultations with standard-setting bodies in France and Belgium in their review of their respective labels (ISR1 and Towards Sustainability). We also participated in a number of SFDR-related consultations. In July 2023 we responses to the Consultation on SFDR technical standards review by European Securities and Markets Authority to share our perspective.

(3) We provided technical input via government- or regulator-backed working groups. For instance, building on the two earlier rounds of consultation, a third and final consultation paper was released in February 2023 by the Government of Singapore, which sought views on the detailed thresholds and criteria for classification of green and transition activities in five sectors. We contributed to our trade association's response (ASIFMA). Our sustainability analysts provided specific feedback on classifications relating to their sectors (e.g., palm, cement) and the DNSH criteria

(4) We engage policymakers on our own initiatives to share our recommendations and feedback. We used the opportunity of our attendance at the PRI Conference in September in Tokyo to host collaborative engagement meetings with Japan's Ministry of Finance (MOF) and Ministry of Economy, Trade and Industry (METI). Members of the PRI-Coordinated Sovereign Engagement on Climate Change, alongside other interested signatories, PRI staff and organisational partners, met with various officials from the two ministries. We introduced the role of sovereign engagement and shared our in-house assessment process on sovereign ESG performance. We also discussed Japan's "Green Transformation (GX)" Transition Policy and provided our feedback.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

SDG Fundamentals and SDG Alignment Data

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:

BNPP AM Net Zero Roadmap

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Promoting responsible business practices: Responsible Business Conduct Normative screening

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: BNPP AM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

(A) Across all sustainability outcomes

(1) Key stakeholders engaged	(6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs
(2) Provide further detail on your engagement	<p>1. We engage with standard setters to share our concerns and expertise in order to promote what we believe are best practices in terms of sustainability reporting. For example, BNPP AM recently engaged with ISSB. The ISSB was established by the IFRS Foundation to 'deliver a comprehensive global baseline of sustainability-related disclosure standards that provide investors and other capital market participants with information about companies' sustainability-related risks and opportunities to help them make informed decisions.</p> <p>We were pleased to have the opportunity for an in-person meeting with representatives of the ISSB to receive an update on ISSB's work and to express our concerns about ISSB's definition of materiality and sole focus on impacts to enterprise value.</p> <p>2. Matter/Iceberg data lab In 2022, we launched SDG Fundamentals, a dataset developed in collaboration between Matter and BNP Paribas Asset Management. The dataset can provide alignment and misalignment figures across all 17 SDGs. We worked with Danish fintech Matter to create the dataset to help investors better understand how aligned or misaligned company revenues are with the UN SDGs.</p> <p>3. GRASFI In 2018, we established an academic partnership with the Global Research Alliance for Sustainable Finance and Investment (GRASFI) so that our investment teams have access to leading research, helping to inform the broader debate as well as our own methodologies and investment approaches.</p>

Their annual conference brings researchers together from around the world to present their findings on a range of topics related to Sustainability.

4. NGOs: ShareAction

In 2023, we were ranked 2nd among the world's 77 largest asset managers across responsible investment themes in ShareAction's 'Point of No Returns report'. Our policies and achievements have been featured in several of their reports and are happy to share the ways BNPPAM promotes responsible investment across various themes. We exchange with ShareAction throughout the reporting duration to better understand their methodology. We also engage with the NGO after the publication of the reports to better understand how we can further improve our ranking.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: SDG Fundamentals and SDG Alignment Data

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: BNPP AM Net Zero Roadmap

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Promoting responsible business practices: Responsible Business Conduct Normative screening

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: BNPP AM Biodiversity Roadmap - Understanding our biodiversity dependencies and managing our impact on ecosystems

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative	Climate Action 100+
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(A) We were a lead investor in one or more focus entities (e.g. investee companies)</p> <p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p> <p>(C) We publicly endorsed the initiative</p> <p>(E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support</p> <p>(F) We provided financial support</p> <p>(G) We were part of an advisory committee or similar</p>
(3) Provide further detail on your participation in this collaborative initiative	<p>Thibaud Clisson, our Climate Change analyst, is a Member of the Corporate Program of the IIGCC (Institutional Investors Group on Climate Change) representing BNP Paribas AM. Climate Action 100+ was launched by IIGCC along with four other network partners in 2017. Our Head of Stewardship Europe, Rachel Crossley, also co-chairs the Climate Lobbying working group. We provide funding to the CA 100+ initiative indirectly through financial support toward IIGCC and CERES (which support the CA 100+ initiative).</p>

(B) Initiative #2

(1) Name of the initiative	CDP Non-Disclosure campaign
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(A) We were a lead investor in one or more focus entities (e.g. investee companies)</p> <p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p> <p>(C) We publicly endorsed the initiative</p>

In 2023, we once again participated in the annual CDP Non-Disclosure Campaign designed to encourage companies with big impacts on climate, forests and water to improve their disclosure using the long-established and widely used CDP questionnaires.

(3) Provide further detail on your participation in this collaborative initiative

In total, 317 companies disclosed via the relevant CDP questionnaires, representing a 20% success rate. The highest success rate was in the Climate disclosure category (20%), followed by Forests and Water security (each at 14%). We also led the engagement with five companies with significant impacts on freshwater within our top holdings. Of those, two submitted the questionnaire, while the three others did not respond to our engagement; we voted against items on the agenda of these three companies' AGMs. We intend to continue our engagement through the CDP NDC campaign in 2024 with a focus on our portfolios' highest impacts

(C) Initiative #3

(1) Name of the initiative

Investor Statement and Letters: We add our voice to the advocacy of many organisations at the forefront of calling for urgent, far-reaching policy action to address priorities related to the 3Es. For example, in 2023, we signed the CDP Open Letter to Governments on Plastics Crisis. Full list of investor statements and letters signed by BNPP AM in the last two years is available on p. 33 of our 2023 Sustainability Report.

(2) Indicate how your organisation contributed to this collaborative initiative

(C) We publicly endorsed the initiative

(3) Provide further detail on your participation in this collaborative initiative

(D) Initiative #4

(1) Name of the initiative

Academic partnership with the Global Research Alliance for Sustainable Finance and Investment (GRASFI)

(2) Indicate how your organisation contributed to this collaborative initiative

(D) We provided pro bono advice, research or training
(F) We provided financial support

(3) Provide further detail on your participation in this collaborative initiative

In 2018, we established an academic partnership with the Global Research Alliance for Sustainable Finance and Investment (GRASFI) so that our investment teams have access to leading research, helping to inform the broader debate as well as our own methodologies and investment approaches. Their annual conference brings researchers together from around the world to present their findings on a range of topics related to sustainability and sustainable finance. We continue to actively support the initiative throughout the years and attend the annual conference, and we will be attending the conference held in Singapore in 2024.

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☒ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☒ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☐ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- ☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- ☒ (A) Policy, governance and strategy
 - Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ (3) Processes and data internally audited
- ☒ (B) Manager selection, appointment and monitoring
 - Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ (3) Processes and data internally audited
- ☒ (C) Listed equity
 - Select from dropdown list:
 - ☐ (1) Data internally audited

- (2) Processes internally audited
- (3) Processes and data internally audited

☒ (D) Fixed income

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited
- (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

In 2022, BNPP AM was audited by the BNP Paribas Group General Inspection, e, BNP Paribas Group's internal audit department, which provided us with second-party validation of our policies and processes. This assignment took place during the entire first quarter (3 months) by a team of 9 inspectors. The objective of the assignment was to assess the quality, effectiveness and sustainability of the Governance, Risk Management and Internal Control framework surrounding the BNPP AM Sustainable Investments. The team was organized in three streams: i/ Organisation, Governance, Communication and Regulatory watch, ii/ Product&Strategic marketing and front to back processes, iii/ ESG Scoring, risk monitoring, ESG data management and permanent control.

We have also had a review by Inspection Générale in 2023, this time focusing on sustainability governance, communications, sustainability product definitions, and the control framework in place surrounding sustainability. This approach provides us with an arms-length opinion of the validity of our policies and processes and helps to ensure our communications are fair, balanced and understandable.

The annual PRI Reporting is also reviewed jointly by the sustainability centre, compliance team and risk team.

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☐ (A) Board, trustees, or equivalent
- ☒ (B) Senior executive-level staff, investment committee, head of department, or equivalent

Sections of PRI report reviewed

- (1) the entire report
 - (2) selected sections of the report
- (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year