# BNP PARIBAS EASY

*An open-ended investment company*
*incorporated under Luxembourg Law*

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## Extract Prospectus for Switzerland

This partial prospectus for Switzerland is exclusively intended for the offer of the shares of BNP Paribas Easy in Switzerland. It contains only the sub-funds approved by the Swiss Financial Market Supervisory Authority (FINMA) for the purpose of offering them in Switzerland to non-qualified investors. There are other sub-funds of BNP Paribas Easy that have been approved by the Commission de Surveillance du Secteur Financier (CSSF), but which are not intended for the offer to non-qualified investors in Switzerland.

## APRIL 2 0 2 6

**INFORMATION requests**

BNP PARIBAS EASY

60, avenue J.F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**NOTICE**

This Prospectus may not be used for the purpose of an offer or entreaty to sell in any country or under any circumstances in which such an offer or entreaty is not authorised.

The Company is approved as an Undertaking for Collective Investment in Transferable Securities (UCITS) in Luxembourg. It is fully or partially authorised to market its shares in Austria, Chile, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Mexico, the Netherlands, Norway, Singapore, Slovakia, Spain, Sweden, Switzerland and the United Kingdom. Not all the sub-funds, Categories, or Classes are necessarily registered in those countries. Before subscribing, it is vital that potential investors ensure that they are informed about the sub-funds, Categories, or Classes that are authorised to be marketed in their country of residence and the constraints applicable in each of these countries.In particular, the Company's shares have not been registered in accordance with any legal or regulatory provisions in the United States of America. Consequently, this document may not be introduced, transmitted or distributed in that country, or its territories or possessions, or sent to its residents, nationals, or any other companies, associations, employee benefit plans or entities whose assets constitute employee benefit plan assets whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended (collectively, "Benefit Plans"), or entities incorporated in or governed by the laws of that country. Furthermore, the Company's shares may not be offered or sold to such persons.

In addition, no one may issue any information other than that presented in the Prospectus or the documents mentioned in it, which may be consulted by the public. The Company's Board of Directors vouches for the accuracy of the information contained in the Prospectus on the date of publication.

Lastly, the Prospectus may be updated to take account of additional or closed sub-funds or any significant changes to the Company's structure and operating methods. Therefore, subscribers are recommended to request any more recent documents as mentioned below under the "Information for Shareholders" section. Subscribers are also recommended to seek advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription, purchase, holding and redemption of shares in their country of origin, residence or domicile.

The Prospectus is only valid if accompanied by the latest audited annual report as well as the latest interim report if the latter is more recent than the Annual Report.

If there is any inconsistency or ambiguity regarding the meaning of a word or sentence in any translation of the Prospectus, the English version shall prevail.

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An information section is available relating to each particular sub-fund. It specifies each sub-fund's investment policy and objective, the features of the shares, their Accounting Currency, Valuation Day, methods of subscription, redemption and/or conversion, applicable fees, and, if applicable, the history and other specific characteristics of the sub-fund in question. Investors are reminded that, unless otherwise stated in Book II, the general regulations stipulated in Book I of the Prospectus will apply to each sub-fund.

# BOOK I

## GENERAL INFORMATION

**REGISTERED OFFICE**

BNP PARIBAS EASY

60, avenue J.F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**THE COMPANY'S BOARD OF DIRECTORS**

**Chair**

Mr Benoit PICARD, Head of Protected Management, Systematic & Quantitative Investment, BNP PARIBAS ASSET MANAGEMENT Europe, France, Paris

**Vice Chair**

Mrs Claire MEHU, Client Target Allocation Team Leader, Multi Asset, Quantitative and Solutions (MAQS), BNP PARIBAS ASSET MANAGEMENT Europe, France, Paris

**Members**

Mr Philippe DITISHEIM, Director, Paris

Mr Heinerich HARDY, Head of Investment Operations, BNP PARIBAS ASSET MANAGEMENT Europe, Belgium Branch, Brussels

Mrs Corinne ROGER, Co-head Global Product Engineering, BNP PARIBAS ASSET MANAGEMENT Europe, France, Paris

**MANAGEMENT COMPANY**

60, avenue J.F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

BNP PARIBAS ASSET MANAGEMENT Luxembourg is a Management Company as defined by Chapter 15 of the Luxembourg law of 17 December 2010 concerning undertakings for collective investment.

The Management Company performs the administration, portfolio management and marketing duties.

**THE MANAGEMENT COMPANY'S BOARD OF DIRECTORS**

**Chair**

Mr Pierre MOULIN, Global Head of Products and Strategic Marketing, BNP PARIBAS ASSET MANAGEMENT Europe, France, Paris

**Members**

Mr Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg

Mr Georges ENGEL, Independent Director, Vincennes, France

Mrs Marie-Sophie PASTANT, Head of ETF, Index & Synthetic Systematic Strategies Portfolio Management, BNP PARIBAS ASSET MANAGEMENT Europe, France, Paris

**NAV CALCULATION**

BNP Paribas, Luxembourg Branch

60, Avenue J.-F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**TRANSFER AND REGISTRAR AGENT**

BNP Paribas, Luxembourg Branch

60, Avenue J.-F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**DEPOSITARY**

BNP Paribas, Luxembourg Branch

60, Avenue J.-F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**INVESTMENT MANAGERS**

**BNP PARIBAS ASSET MANAGEMENT Europe**

1 boulevard Haussman, F-75009 Paris, France

A French company, incorporated on 28 July 1980

**AXA INVESTMENT MANAGERS UK Ltd.**

22 Bishopsgate, London, EC2N 4BQ, United Kingdom

A UK company incorporated on June 19, 1979

**AUDITOR**

Ernst & Young S.A.

35E, avenue John F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

**ARTICLES OF ASSOCIATION**

The Company was incorporated on December 28, 2015 and a notice was published in the *Mémorial, Recueil Spécial des Sociétés et Associations (the "Mémorial").*

The latest version of the Articles of Association has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website www.lbr.lu).

## TERMINOLOGY

For purposes of this document, the following terms shall have the following meanings. The below terminology is a generic list of terms. Some of them may therefore not be used in the present document.

| | |
|---|---|
| **ABS:** | **Asset-Backed Securities**: Securities backed by the cash flows of a pool of assets (mortgage and non-mortgage assets) such as home equity loans, company receivables, truck and auto loans, leases, credit card receivables and student loans. ABS are issued in tranched format or as pass-through certificates, which represent undivided fractional ownership interests in the underlying pools of assets. Therefore, repayment depends largely on the cash flows generated by the assets backing the securities. |
| **Accounting Currency:** | Currency in which the assets of a sub-fund are stated for accounting purposes, which may be different of the Reference Currency. |
| **Actively-managed sub-fund:** | Sub-fund for which the manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policies, as opposed to a passively-managed sub-fund. |
| **Active Trading:** | Subscription, conversion, or redemption in the same sub-fund over a short period of time and involving substantial amounts, usually with the aim of making a quick profit. This activity is prejudicial to other shareholders as it affects the sub-fund's performance and disrupts management of the assets. |
| **ADR / GDR:** | ADR / GDR refer to all categories of American Depositary Receipts and Global Depositary Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs and GDRs are not listed locally but on such markets as New York or London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the sub-fund's investment policy. |
| **Asset Securitisation:** | Financial package (off-balance sheet) which consists of issuing securities backed to a basket of assets (mortgages: residential and commercial mortgages, consumer loans, automobile loans, student loans, credit card financing, equipment loans and leases, business trade receivables, inventories among others) and based on the quality of the collateral they offer or their level of risk. The underlying assets are virtually "transformed" into securities, hence "securitisation" |
| **Authorised Investors:** | Investors specially approved by the Board of Directors of the Company. |
| **Authorised Participants:** | Financial institutions which are subject to prudential supervision exercised by a supervisory authority and to rules designed to prevent money laundering equivalent to the applicable Luxembourg standards and which have signed an agreement with the Company authorising them to subscribe and request redemption of shares on the primary market. |
| **Benchmark Index:** | The index published by the Benchmark Index administrator, as calculated by the calculation agent. For each sub-Fund, its Benchmark Index is detailed in the relevant part of Book II. Either the term benchmark or index may be used within the Book II. |
| **Benchmark Register:** | The benchmark administrators register held by ESMA, in accordance with Article 36 of the Regulation 2016/1011, as amended. |
| **Business Day:** | A day when banks in Luxembourg are open. |
| **Bond Connect:** | The "Bond Connect" is a mutual market access program between the PCR interbank bond market and Hong Kong bond market infrastructures as approved by People's Bank of China and Hong Kong Monetary Authority. It allows investors from Mainland China and overseas to trade in each other's bond markets through a market infrastructure linkage in Hong Kong. |
| **CDS:** | **Credit Default Swap**: When buying or selling a CDS the Company hedges against the risk of an issuer's default by paying a quarterly premium. In the event of payment default, settlement may be made either in cash, in which case the buyer of the protection receives the difference between the face value and the recoverable value, or in the form of an in-kind settlement, in which case the buyer of the protection sells the defaulting security, or another security chosen from a basket of deliverable securities agreed in the CDS contract, to the seller of the protection and recovers the face value. The events that constitute default are defined in the CDS contract, along with the procedures for delivery of the bonds and debt certificates. |
| **CFD:** | **Contract for Difference**: Contract between two parties whereby they agree on a cash payment between them in the amount of the difference between two valuations of the underlying asset, at least one of which is unknown when they enter into the contract. By entering into a CFD, the Company undertakes to pay (or receive) the difference between the valuation of the underlying asset at the time of entering into the contract and the valuation of the underlying asset at a particular moment in the future. |
| **Circular 08/356:** | Circular issued by the CSSF on 4 June 2008 concerning the rules applicable to undertakings for collective investment when they utilise certain techniques and instruments based on transferable securities and Money Market Instruments. This document is available on the CSSF website (www.cssf.lu). |
| **Circular 11/512:** | Circular issued by the CSSF on 30 May 2011 concerning: a) The presentation of the main regulatory changes in risk management following the publication of the CSSF Regulation 10-4 and ESMA clarifications; b) Further clarification from the CSSF on risk management rules; c) Definition of the content and format of the risk management process to be communicated to the CSSF. This document is available on the CSSF website (www.cssf.lu). |
| **Circular 14/592:** | Circular issued by the CSSF on 30 September 2014 concerning ESMA guidelines on ETF and other UCITS issues. This document is available on the CSSF website (www.cssf.lu). |

**Commodity ETPs:** refer to all exchange traded products tracking commodity returns. They do not include ETPs tracking the equity of companies involved in the commodity industry.

**Company:** **BNP Paribas Easy**, an investment fund registered under Luxembourg Law and structured as an umbrella fund.

**Contingent Convertible Bond:** A Contingent Convertible Bond is a type of Subordinated Debt for banks designed to absorb large loss threatening the capital, via an automatic conversion into equity. Contingent Convertible Bond can be Tier 1 or Tier 2 instruments.

Contingent Convertible Bond Characteristics

- Trigger: the automatic conversion into equity is triggered by the level of Common Equity Tier 1 (CET1) capital, which can be high (around 7%), or low (5.125%) in 2014. As such, low trigger Contingent Convertible Bonds are less risky than high triggers
- Loss Absorption Mechanism: it is the mode of transformation of the debt instrument into core equity. It can be a conversion into shares for listed banks, or a write-down (the bank books a capital gain in its Profits & Losses balance sheet). Write-downs can be full or partial, permanent or temporary. In case of temporary write-down, later write-ups are possible under certain conditions
- Coupons: Tier 1 Contingent Convertible Bonds are with fully discretionary and not cumulative coupons, whereas Tier 2 Contingent Convertible Bonds have coupon that have to be paid ("Must Pay"). In addition, if the capital ratios of the bank get too close to a regulatory minimum (10-12% in 2014) depending on banks), coupons are subject to mandatory cancellation. They are reset every five years, when the Contingent Convertible Bond is callable
- Maturity: Tier 2 Contingent Convertible Bonds are dated, and can be entirely paid all at once on the maturity date (bullet) or can be redeemed any time before reaching maturity date (callable). Tier 1 Contingent Convertible Bonds are perpetual, usually with a call option every five years Point Of Non Viability (PONV): this is the moment when the banks' supervisory authorities decide that the bank is facing liquidity problems and subsequently take control and take actions to solve this issue. The determination of the PONV is left to the National banks' supervisory authorities on a case by case basis
- Additional Tier 1 Capital (AT1) is made up of: Subordinated and perpetual Tier 1 capital instruments issued by a bank that are not included in CET1;
- Share premium resulting from the issue of AT1 capital instruments;
- Instruments issued by consolidated bank subsidiaries and held by third parties. The instruments must meet AT1 capital requirements criteria and not included in CET1;
- Regulatory adjustments applied in the calculation of AT1.

Common Equity Tier 1 (CET1)

A measurement of a bank's core equity capital compared with its total risk-weighted assets. This is the measure of a bank's financial strength. The Tier 1 common capital ratio excludes any preferred shares or non-controlling interests when determining the calculation

Tier 1 capital

It includes only permanent shareholders' equity (issued and fully-paid ordinary shares/common stock and perpetual non-cumulative preference shares) and disclosed reserves (created or increased by appropriations of retained earnings or other surplus, e.g. share premiums, retained profit, general reserves and legal reserves). Disclosed reserves also include general funds (Basle Capital Accord)

Tier 2 capital

It is designated as "supplementary capital", and is composed of items such as undisclosed reserves, revaluation reserves, general provisions/general loan-loss reserves, hybrid (debt/equity) capital instruments and subordinated term debt. Tier 2 capital is the secondary component of bank capital, in addition to Tier 1 capital, that makes up a bank's required reserves.

**CSSF:** *Commission de Surveillance du Secteur Financier*, the regulatory authority for UCI in the Grand Duchy of Luxembourg

**Currencies:** AUD: Australian Dollar

EUR: Euro

GBP: British Pound

NOK: Norwegian Krone

USD: US Dollar

CHF: Swiss Franc

JPY: Japanese Yen

**Directive 78/660:** European Council Directive 78/660/EEC of 25 July 1978 concerning the annual accounts of certain forms of companies, as amended

**Directive 83/349:** European Council Directive 83/349/EEC of 13 June 1983 concerning consolidated accounts, as amended

**Directive 2014/65:** **MIFID**: European Council Directive 2014/65/EU of 15 May 2014 on markets in financial instruments, repealing the Directive/2004/39/EC of 21 April 2004

**Directive 2009/65:** European Council Directive 2009/65/EC of 13 July 2009 regarding the coordination of legislative, regulatory and administrative provisions concerning undertakings for collective investment in transferable securities (UCITS IV), as amended by the Directive 2014/91.

**Directive 2011/16:** European Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation, as amended by the Directive 2014/107.

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| **Directive 2014/91:** | European Parliament and of the Council Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions (UCITS V) amending the Directive 2009/65. |
| **Directive 2014/107:** | European Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16 as regards mandatory automatic exchange of information (AEOI) in the field of taxation. |
| **EDS:** | **Equity Default Swap**: When buying equity default swap the Company hedges against the risk of a sharp fall (the current market norm is 70%) in the value of the underlying security on the stock markets, regardless of the cause for the fall, by paying a quarterly premium. When the risk is realised, i.e. when the closing price on the stock market reaches or exceeds the threshold (of –70%), the payment is made in cash: the buyer of the protection receives a pre-determined percentage (the current European market norm is 50%) of the notional amount initially assured. |
| **EEA:** | European Economic Area |
| **Emerging markets:** | Non-OECD countries prior to 1 January 1994 together with Turkey and Greece.<br>In the Emerging markets, 2 different categories may be identified by the main providers of indices:<br>- Frontier markets: a sub-category of emerging markets designating growing economies with widely varying characteristics in terms of development, growth, human capital, demographics and political openness.<br>- Advanced emerging markets: a sub-category of countries in the group of emerging markets gathering the best ranked countries in terms of market efficiency, regulatory environment, custody and settlement procedures and dealing tools available. |
| **EMTN:** | **Euro Medium Term Notes**: Medium-term debt securities characterised by their high level of flexibility for both the issuer (corporate issuers and public bodies) and the investor. EMTN are issued according to an EMTN programme, which means that use of debt funding can be staggered and the amounts involved varied. The arranger of the issue will not necessarily underwrite it, which means that the issuer cannot be certain of raising the full amount envisaged (it is therefore in the issuer's interest to have a good credit rating). |
| **EPM Techniques:** | Efficient portfolio management techniques within the meaning of "Appendix 2 – Techniques, Financial Instruments, and Investment Policies". |
| **Equity equivalent security:** | ADR, GDR and investment certificates |
| **ESMA:** | European Securities and Markets Authority |
| **ESMA Guidelines 2014/937:** | ESMA Guidelines 2014/937 of August 1, 2014 on ETFs and other UCITS issues. |
| **ESG:** | Environmental, Social and Governance ("ESG") indicators are used to assess a company's performance on a range of sustainability factors, including the extent to which these are reflected in corporate strategy. These indicators may include, for example:<br>• CO2 emissions, electricity consumption, water use, waste recycling for pillar E;<br>• the quality of human capital management, employment practices, and community engagement for pillar S;<br>• executive pay, tax transparency, the fight against corruption, board diversity for pillar G. |
| **ETC:** | **Exchange Traded Commodities**: Trade and settle like ETFs but are structured as debt instruments. They track both broad and single commodity indices. ETC either physically hold the underlying commodity (e.g. physical gold) or get their exposure through fully collateralised swaps. |
| **ETF:** | **Exchange Traded Funds**: Exchange traded products that are structured and regulated as mutual funds or collective investment schemes. To be eligible an ETF shall be a UCITS, or a UCI compliant with the conditions set out in the Appendix I of the Prospectus.<br>Each sub-fund will be either actively or passively managed. Passively managed sub-funds are designed to track the performance of a specified index as further disclosed in the Book II. Actively managed sub-fund will be exposed to an active management strategy. Full details for such approach will be disclosed in Book II. |
| **Group of Companies:** | Companies belonging to the same group that are required to prepare consolidated accounts pursuant to Council Directive 83/349/EC of 13 June 1983 with regard to consolidated accounts, or in accordance with internationally recognised accounting rules. |
| **GSS:** | the Global Sustainability Strategy policy which governs the approach to sustainability of BNP Paribas Asset Management and can be found under the following link: Global Sustainability Strategy. |
| **High Yield Bonds:** | These bond investments correspond to the ratings assigned by the rating agencies for borrowers rated below BBB- on the Standard & Poor's or Fitch rating scale and below Baa3 on the Moody's rating scale. Such high-yield bond issues are loans that generally take the form of bonds with a 5-, 7- or 10-year maturity. The bonds are issued by companies with a weak financial base. The return on the securities, and their level of risk, is significant, making them highly speculative. In the case, of securities rated by two or more agencies, the worst rate available will be considered. |

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| **Indicative Net Asset Value:** | The Company or its designee may make available an indicative net asset value for UCITS ETF share classes of the sub-fund on each Trading Day, during trading hours. The indicative net asset value is calculated based upon the most up-to-date information of the Benchmark Indices and will be based upon the estimated current value of the assets adjusted by the relevant foreign exchange rate, together with any cash amount in the sub-fund as at the previous Trading Day. The indicative net asset value is not the value at which investors on the secondary market purchase and sell their shares. |
| **Institutional Investors:** | Legal entities who hold for their own accounts and who are either, considered to be professionals for the purpose of Annex II to Directive 2014/65 (MiFID), or who may, on request, be treated as professionals or having an equivalent status according to their applicable local legislation ("Professionals"), UCI, and insurance companies or pension funds subscribing within the scope of a group savings scheme or an equivalent scheme. Portfolio managers subscribing within the scope of discretionary portfolios management mandates for other than Institutional Investors qualified as Professionals are not included in this category. |
| **Investment Grade Bonds:** | Unless otherwise provided in each sub-fund's investment policy in Book II, investment grade corresponds to the ratings assigned by the rating agencies for borrowers rated between AAA and BBB- on the Standard & Poor's or Fitch rating scale and Aaa and Baa3 on the Moody's rating scale. In the case of securities rated by two agencies, the best rating among the two available will be taken. In the case of securities rated by three agencies, the second best rating among the three available will be taken. |
| **KID:** | Key Information Document within the meaning of Regulation 1286/2014 |
| **Law:** | Luxembourg law of 17 December 2010 concerning undertakings for collective investment. This law implements Directive 2009/65/EC (UCITS IV) of 13 July 2009 into Luxembourg law. |
| **Law of 10 August 1915:** | Luxembourg law of 10 August 1915 on commercial companies, as amended |
| **Law of 1940:** | Investment Company Act of 1940, as amended |
| **Managers:** | Portfolio managers and insurance companies subscribing within the scope of discretionary individual portfolios management mandates. |
| **Market Makers:** | Financial institutions that are members of the Relevant Stock Exchanges and have signed a market making contract or that are registered as such with the Relevant Stock Exchanges, as listed in Book II of this Prospectus, as the case may be. |
| **Market Timing:** | Arbitrage technique whereby an investor systematically subscribes and redeems or converts units or shares in a single UCITS within a short space of time by taking advantage of time differences and/or imperfections or deficiencies in the system of determining the NAV of the UCITS. This technique is not authorised by the Company. |
| **MBS:** | **Mortgage Backed Security**: also known as "mortgage-related security". A type of security that is backed (collateralised) by a mortgage loan or collection of mortgages loan with similar characteristics. These securities usually pay periodic payments that are similar to coupon payments; the mortgage must have originated from a regulated and authorized financial institution. Mortgage securities are backed by a wide variety of loans with generally 4 borrower characteristics (agency mortgages, prime jumbo mortgages, Alt-A mortgages and subprime mortgages)<br>Loans that satisfy the underwriting standard of the agencies are typically used to create RMBS that are referred to as agency mortgage-backed securities (MBS). All other loans are included in what is referred to generically as non-agency MBS; the agency MBS market includes three types of securities:<br>- agency mortgage pass-through securities<br>- agency collateralized mortgage obligations (CMOs)<br>- agency stripped MBS |
| **Member State:** | Member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this agreement and related acts are considered as equivalent to Member States of the European Union. |
| **Mémorial:** | Luxembourg Mémorial C, Recueil des Sociétés et Associations |
| **Money Market Instruments:** | Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time. |
| **MTF:** | a Multilateral Trading Facility which is a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments - in the system and in accordance with non-discretionary rules - in a way that results in a contract. |
| **Net Asset Value:** | The net asset value as calculated each Trading Day. It refers to the Net Asset Value of the Company, of a sub-fund or of a class. |
| **OECD:** | Organisation for Economic Co-operation and Development. |
| **OTC:** | Over The Counter |
| **Other Regulated Market:** | Regulated market in regular operation, recognised and open to the public, i.e. (i) a market which meets all of the following criteria: liquidity, multilateral matching of orders (general matching of supply and demand to establish a single price) and transparency (disclosure of maximum information offering investors the possibility to track trades in order to make sure their orders are in fact executed on the conditions of the moment); (ii) a market on which securities are traded at relatively fixed intervals, (iii) which is recognised by a state or a public authority empowered by |

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|---|---|
| | such state or by any other entity such as a professional association recognised by said state or said public authority and (iv) a market whereby traded securities must be accessible to the public. |
| **Passively-managed sub-fund:** | Sub-fund for which the strategy is to replicate or track the performances of an index or indices e.g. through synthetic or physical replication. |
| **Prospectus:** | The Prospectus of the Company, as added to and modified from time to time. |
| **RBC Policy:** | the Responsible Business Conduct Policy defining 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies. More information are available on the following link: Responsible Business Conduct policy. |
| **Reference Currency:** | Currency in which the net asset value per share of the share category is calculated. |
| **Regulated Market:** | Regulated market within the meaning of Directive 2014/65/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, as amended, or any other market established in the EEA which is regulated, operates regularly and is recognised and open to the public. |
| **Regulation 1286/2014** | Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPS) |
| **Regulation 2015/2365:** | Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (SFTR). |
| **Regulation 2016/679:** | Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation – "GDPR"). |
| **Regulation 2016/1011:** | Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds. |
| **Regulation 2017/1131:** | Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds. |
| **Regulation 2019/2088:** | Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, also known as the Sustainable Finance Disclosure Regulation (**SFDR**) and that lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products. |
| **Regulation 2020/852:** | Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088 (Taxonomy Regulation), and that implements the criteria for determining whether an economic activity qualifies as environmentally sustainable. |
| **Repurchase transaction/ Reverse Repurchase transaction:** | A transaction governed by an agreement by which a counterparty transfers securities, or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities and a reverse repurchase agreement for the counterparty buying them |
| **RESA:** | Recueil Electronique des Sociétés et Associations |
| **Relevant Stock Exchanges:** | Luxembourg Euro MTF, Euronext Paris, Euronext Amsterdam, Deutsche Börse, SIX Swiss Exchange, BMV, Borsa Italiana, and any other stock exchange as decided by the Board of Directors. |
| **Securities Lending or Borrowing:** | A transaction by which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred. Securities lending is not allowed within the Company. |
| **SFT:** | **Securities Financing Transactions** which means:<br>(i) a repurchase or reverse repurchase transaction;<br>(ii) securities or commodities lending and securities or commodities borrowing;<br>(iii) a buy-sell back transaction or sell-buy back transaction<br>(iv) a margin lending transaction |
| **SI:** | a Systematic Internaliser, meaning an investment firm which, on an organised, frequent and systematic basis, deals on own account by executing client orders outside a regulated market or an MTF. |
| **SRI:** | Socially Responsible Investment ("SRI") funds are titled towards the most sustainable companies in each sector. SRI funds i) reflect a best-in-class methodology and ii) incorporate a range of industry exclusions. |

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|---|---|
| **Stock Connect:** | The "Stock Connect" is a program which aims to achieve mutual stock market access between Mainland China and Hong Kong. Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), Shanghai Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"). Hong Kong and overseas investors (including the FII sub-funds), through their Hong Kong brokers and subsidiaries established by The Stock Exchange of Hong Kong Limited ("SEHK"), may be able to trade certain predefined eligible shares listed on SSE/SZSE by routing orders to SSE/SZSE. It is expected that the list of eligible shares and stock exchanges in Mainland China in respect of Stock Connect will be subject to review from time to time. Trading under the Stock Connect will be subject to a daily quota ("Daily Quota"). The trading quota rules may be subject to review. |
| **STP:** | Straight-Through Processing, process transactions to be conducted electronically without the need for re-keying or manual intervention. |
| **Sub-Fund:** | Means a separate portfolio of assets invested according to the sub-fund's investment objective. Details on each sub-fund are described in Book II. |
| **Sustainable Investment:** | means according to SFDR an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. |
| **Third Country:** | A country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore, South Africa and any other country member of the G20 organisation. |
| **TBA:** | **To Be Announced:** A TBA transaction is a contract for the purchase or sale of a Mortgage-Backed Security for future settlement at an agreed upon date but does not include a specified mortgage pool number, number of mortgage pools, or precise amount to be delivered. |
| **Transferable Securities:** | Those classes of securities which are negotiable on the capital market (with the exception of instruments of payment) such as:<br>- Equity and Equity equivalent securities, partnerships or other entities, and depositary receipts in respect of Equity;<br>- Bonds or other forms of securitised debt, including depositary receipts in respect of such securities;<br>- any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures. |
| **TRS:** | **Total Return Swap**: Derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference asset (equity, equity index, bond, bank loan) to another counterparty.<br>TRS are in principle unfunded ("**Unfunded TRS**"): the total return receiver pays no upfront amount in return for the total return of the reference asset; then it allows both parties to gain exposure to a specific asset in cost-effective manner (the asset can be held without having to pay additional costs).<br>TRS may also be funded ("**Funded TRS**") when it involves an upfront payment (often based on the market value of the asset) at inception in return for the total return of the reference asset. |
| **Tracking Error:** | The tracking error is the difference between the return on a sub-fund, and the benchmark it is expected to track or used for another purpose and as further described in Book II as the case may be. It is measured as the standard deviation of the difference in the fund's and index's returns over time. Investors of hedged share categories are informed that the Tracking Error will be higher for these share categories because of the hedging. |
| **Trading Day:** | A day:<br>(i) that is a Business Day in the places where the Benchmark Index is quoted, and<br>(ii) on which banks in Luxembourg are generally open for business. |
| **UCI:** | Undertaking for Collective Investment. |
| **UCITS:** | Undertaking for Collective Investment in Transferable Securities. |
| **Valuation Day:** | Each open bank day in Luxembourg and subject to exceptions available in the Book II.<br>It corresponds also to:<br>• Date attached to the NAV when it is published<br>• Trade date attached to orders<br>• With regards to exceptions in the valuation rules, closing date prices used for the valuation of the underlying assets in the sub-funds' portfolios |
| **VaR:** | **Value-at-Risk** is a statistical methodology used to assess an amount of potential loss according to a probability of occurrence and a time frame |

## GENERAL PROVISIONS

**BNP Paribas Easy** is an open-ended investment company (*société d'investissement à capital variable – abbreviated to SICAV*), submitted to the provisions of Part I of the Law.

The Company was created as a common fund (*fonds commun de placement – abbreviated to FCP*) bearing the name "EasyETF FTSE EPRA Eurozone", under the Luxembourg law on July 7, 2004 and for an indefinite period. It changed its name into "FTSE EPRA Eurozone THEAM Easy UCITS ETF" on August 8, 2014.

On December 28, 2015, the Company was converted from the legal form of a common fund into the legal form of an open-ended investment company, and changed its name into "BNP Paribas Easy".

The Company is currently governed by the provisions of Part I of the Law, as well as by Directive 2009/65.

The Company's capital is expressed in euros ("EUR") and is at all times equal to the total net assets of the various sub-funds. It is represented by fully paid-up shares issued without a designated par value, described below under "The Shares". The capital varies automatically without the notification and specific recording measures required for increases and decreases in the capital of limited companies. Its minimum capital is defined by the Law.

The Company is registered in the Luxembourg Trade and Companies Register under the number B 202012.

The Company is an umbrella fund, which comprises multiple sub-funds, each with distinct assets and liabilities of the Company. Each sub-fund shall have an investment policy and an Accounting Currency that shall be specific to it as determined by the Board of Directors.

The Company is a single legal entity.

In accordance with Article 181 of the Law:

- the rights of shareholders and creditors in relation to a sub-fund or arising from the constitution, operation or liquidation of a sub-fund are limited to the assets of that sub-fund;
- the assets of a sub-fund are the exclusive property of shareholders in that sub-fund and of creditors where the credit arises from the constitution, operation or liquidation of the sub-fund;
- in relations between shareholders, each sub-fund is treated as a separate entity.

The Board of Directors may at any time create new sub-funds, investment policy and offering methods of which will be communicated at the appropriate time by an update to the Prospectus. Shareholders may also be informed via press publications if required by regulations or if deemed appropriate by the Board of Directors. Similarly, the Board of Directors may close sub-funds, in accordance with the provisions of Appendix 4.

The shares may be listed and traded on one or more Stock Exchanges.

All the Benchmark Indexes mentioned in this Prospectus, which are used either for tracking,asset allocation or computing performance fees purposes, were until December 31, 2025, in scope of Regulation (EU) 2016/1011 as amended ("Benchmark Regulation" or "BMR"). Further to the review of BMR, applicable since January 1st, 2026, only certain categories of benchmarks, namely critical, significant, EU labelled, Climate Transition Benchmark (CTB) and Paris-aligned Benchmark (PAB) and certain commodity benchmarks – remain within the scope of BMR. The use of any such benchmark by the Company is conditional upon its administrator or such benchmark where applicable being authorised, registered, recognised, or endorsed in the Benchmark Register or benefitting from an equivalence regime. Benchmark administrators benefit from a 9-month transitional period to assess whether their benchmarks continue to fall within the scope of BMR or not. The Prospectus will be updated accordingly in a timely manner.

The Company has produced and maintains robust written plans setting out the actions that it will take if a benchmark, falling into the scope of BMR, materially changes or ceases to be provided, or if the Benchmark Index's administrator loses its registration with ESMA. These plans may be obtained free of charge and upon request from the Management Company.

The Company is directed and represented by the Board of Directors acting under the authority of the General Shareholders' Meeting. The Company outsources management, audit and asset custody services. The roles and responsibilities associated with these functions are described below. The composition of the Board of Directors and the names, addresses and detailed information about the service providers are listed above in "General Information".

**Conflicts of Interest**

The Management Company, the Investment Managers, the Depositary, the Administrative agent, Distributors, providers of systematic strategies and other service providers and their respective affiliates, directors, officers and shareholders are or may be involved in other financial, investment and professional activities that may create conflicts of interest with the management and administration of the Company. These include the management of other funds, purchases and sales of securities, brokerage services, depositary and safekeeping services, serving as directors, officers, advisors or agents for other funds or other companies, including companies in which a sub-fund may invest, or entering into OTC derivatives, for, inter alia, obtaining exposure with counterpaties belonging to the BNP Paribas Group. Moreover Investors should also note that systematic strategies developed by entities of the BNP Paribas group may be used. Those systematic strategies may not be subject to any checks performed by entities outside of the BNP Paribas group and so potential conflicts of interest may exist. BNP Paribas Group implemented and maintains polices and procedures to identify, prevent, manage and, where applicable, disclose such conflict of interest. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such other involvement that they might have. In the event that a conflict of interest does arise, the Directors and the relevant Parties involved shall endeavour to resolve it fairly, within reasonable time and in the interest of the Company and its investors.

**Board of Directors**

The Board of Directors assumes ultimate responsibility for the management of the Company and is therefore responsible for the Company's investment policy definition and implementation.

**Management Company**

BNP PARIBAS ASSET MANAGEMENT Luxembourg was incorporated as a limited company (*société anonyme*) in Luxembourg on 19 February 1988. Its Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 17 May 2017 with effect on 1 June 2017, with publication in the *RESA* on 2 June 2017. Its share capital is EUR 3 million, fully paid up.

The Management Company performs administration, portfolio management and marketing tasks on behalf of the Company.

Under its own responsibility and at its own expense, the Management Company is authorised to delegate some or all of these tasks to third parties of its choice.

It has used this authority to delegate:

- The functions of NAV calculation and accounting, Client communication, Registrar (both for registered and bearer shares) and Transfer Agent to BNP Paribas, Luxembourg branch;
- the management of the Company's holdings and the observance of its investment policy and restrictions to the investment managers listed above in "General Information". A list of the investment managers effectively in charge of management and details of the portfolios managed is appended to the Company's periodic reports. Investors may request an up-to-date list of investment managers specifying the portfolios managed by each.

In executing securities transactions and in selecting any broker, dealer, or other counterparty, the Management Company and any Investment Manager will use due diligence in seeking the best overall terms available. For any transaction, this will involve consideration of all factors deemed relevant, such as market breadth, security price and the financial condition and execution capability of the counterparty. An investment manager may select counterparties within BNP Paribas so long as they appear to offer the best overall terms available, therefore, at inception date and resulting from implementing best execution procedures, counterparty BNP Paribas may be selected as specialised in that type of transaction and as a reference dealer counterpaty in OTC derivatives.

In addition, the Management Company may decide to appoint distributors/nominees to assist in the distribution of the Company's shares in the countries where they are marketed.

Distribution and nominee contracts will be concluded between the Management Company and the various distributors/nominees.

In accordance with the distribution and nominee contract, the nominee will be recorded in the register of shareholders in place of the end shareholders.

Shareholders who have invested in the Company through a nominee can at any time request the transfer to their own name of the shares subscribed via the nominee. In this case, the shareholders will be recorded in the register of shareholders in their own name as soon as the transfer instruction is received from the Nominee.

Investors may subscribe to the Company directly without necessarily subscribing via a distributor/nominee.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his/her/its investor rights directly against the Company, (notably the right to participate in general shareholders' meetings) if the investor is registered himself/herself/itself and in his/her/its own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in hisher/its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

**Indemnification rights in case of NAV calculation errors, breaches of investment restrictions or other errors for investors subscribing through financial intermediaries**

The rights of any shareholders subscribing to shares in the Company through financial intermediaries, i.e., where shareholders are not registered themselves and in their own name in the register of the Company, may be affected in relation to indemnification payments for NAV calculation errors, breaches of investment restrictions or other errors occurring at the level of the Company.

Remuneration policy:

The Management Company applies a sound, effective and sustainable Remuneration Policy in line with the strategy, risk tolerance, goals and values of the Company.

The Remuneration Policy is in line with and contributes to sound and effective risk management and doesn't encourage taking more risk than appropriate within the investment policy and terms and conditions of the Company.

The key principles of the remuneration policy are:

- Deliver a market-competitive remuneration policy and practice to attract, motivate and retain best performing employees;
- Avoid conflicts of interest;
- Achieve sound and effective remuneration policy & practice, avoiding excessive risk-taking;
- Ensure long-term risk alignment, and reward of long-term goals;
- Design and implement a sustainable and responsible remuneration strategy, with pay levels and structure which make economic sense for the business.

The details of the up-to-date Remuneration Policy can be found on the website under https://www.bnpparibas-am.com/en/footer/remuneration-policy/, and will also be made available free of charge by the Management Company upon request.

**Depositary**

BNP Paribas, Luxembourg Branch is a branch of BNP Paribas. BNP Paribas is a licensed bank incorporated in France as a Société Anonyme (public limited company) registered with the Registre du commerce et des sociétés de Paris (Trade and Companies' Register) under number No. 662 042 449, authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and supervised by the Autorité des Marchés Financiers (AMF), with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the Commission de Surveillance du Secteur Financier (the "**CSSF**").

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the law of December 17, 2010), (ii) the monitoring of the cash flows of the Company (as set out in Art 34(2) of the law of December 17, 2010) and (iii) the safekeeping of the Company's assets (as set out in Art 34(3) of the law of December 17, 2010).

Under its oversight duties, the Depositary is required to:

(1) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the law of December 17, 2010 or with the Company's Articles of Incorporation,

(2) ensure that the value of Shares is calculated in accordance with the law of December 17, 2010 and the Company's Articles of Incorporation, carry out the instructions of the Company or the Management Company acting on behalf of the Company, unless they conflict with the law of December 17, 2010 or the Company's Articles of Incorporation,

(3) ensure that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;

(4) ensure that the Company's revenues are allocated in accordance with the law of December 17, 2010 and its Articles of Incorporation.

The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas, Luxembourg Branch in parallel with an appointment of BNP Paribas, Luxembourg Branch acting as Depositary.

Such other business relationships may cover services in relation to

Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas or its affiliates act as agent of the Company or the Management Company, or

Selection of BNP Paribas or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary is required to ensure that any transaction relating to such business relationships between the Depositary and an entity within the same group as the Depositary is conducted at arm's length and is in the best interests of Shareholders.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

Identifying and analysing potential situations of conflicts of interest;

Recording, managing and monitoring the conflict of interest situations either in:

Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;

Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest;

Implementing a deontological policy;

recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or

setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

The Depositary may delegate to third parties the safekeeping of the Company's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationships with the Depositary in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from cristalizing, the Depositary has implemented and maintains an internal organisation whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates' performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available in the website:

list-of-delegates-and-sub-delegates-of-bnp-paribas-s.a-appointed-depositories-1.pdf

Such list may be updated from time to time.

Updated information on the Depositary's custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary.

BNP Paribas, Luxembourg Branch, being part of a group providing clients with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. The entities involved in the support of internal organisation, banking services, central administration and transfer agency service are listed in the website: https://securities.cib.bnpparibas/luxembourg/.

Further information on BNP Paribas, Luxembourg Branch international operating model linked to the Company may be provided upon request by BNP Paribas, Luxembourg Branch, the Company and / or the Management Company.

**Auditor**

All the Company's accounts and transactions are subject to an annual audit by the Auditor.

The Company's general objective is to provide its investors with the highest possible appreciation of capital invested while offering them a broad distribution of risks. To this end, the Company will principally invest its assets in a range of transferable securities, Money Market Instruments, units, or shares in UCIs, credit institution deposits, and financial derivative instruments denominated in various currencies and issued in different countries.

The Company's investment policy is determined by the Board of Directors in light of current political, economic, financial and monetary circumstances. The policy will vary for different sub-funds, within the limits of, and in accordance with, the specific features and objective of each as stipulated in Book II.

The investment policy will be conducted with strict adherence to the principle of diversification and spread of risks. To this end, without prejudice to anything that may be specified for one or more individual sub-funds, the Company will be subject to a series of investment restrictions as stipulated in Appendix 1. In this respect, the attention of investors is drawn to the investment risks described in Appendix 3.

Furthermore, the Company is authorised to utilise techniques and instruments on transferable securities and Money Market Instruments under the conditions and limits defined in Appendix 2, provided that these techniques and financial derivative instruments are employed for the purposes of efficient portfolio management. When these operations involve the use of financial derivative instruments, these conditions and limits must comply with the provisions of the Law. Under no circumstances can these operations cause the Company and its sub-funds to deviate from the investment objectives as described in the Prospectus.

Unless otherwise provided in each sub-fund's investment policy on Book II, no guarantee can be given on the realisation of the investment objectives of the sub-funds, and past performance is not an indicator of future performance.

**Class Action Policy**

A class action policy applicable to Undertakings for Collective Investments (UCI) that the Management Company manages has been defined. A class action can typically be described as a collective legal procedure, seeking compensation for multiple persons having been harmed by the same (illegal) activity.

In compliance with the class action policy:

- the Management Company does, in principle, not participate via an active class role in a class actions (i.e., the Management Company will not initiate, acts as a plaintiff or otherwise takes an active role in a class action against an issuer);
- the Management Company may participate via a passive role in a class actions in jurisdictions where the Management Company considers, at its sole discretion, that (i) the class action process is sufficiently effective (e.g. where the anticipated revenue exceeds the predictable cost of the process), (ii) the class action process is sufficiently predictable and (iii) the relevant data required for the assessment of eligibility to the class action process are reasonably available and can be efficiently and robustly managed;
- gross proceeds in the context of a class action are paid to the funds involved in the relevant class action [the external costs will be invoiced separately

The class actions policy may be amended from time to time and it may be deviated from the principles set out therein in specific circumstances.
A disclosure on the class actions policy is available on Class actions policy - BNPP AM Corporate English.

## SUSTAINABLE INVESTMENT POLICY[1]

**For actively managed sub-funds only**

BNP PARIBAS ASSET MANAGEMENT's Global Sustainability Strategy governs the approach of BNP Paribas Asset Management to sustainability, which consists in particular of the implementation of ESG integration, responsible business conduct standards and stewardship activities (as defined below) into the investment processes applied by the investment managers of each sub-fund.

**ESG** stands for **E**nvironmental, **S**ocial and **G**overnance; these are criteria commonly used to assess the level of sustainability of an investment.

BNP PARIBAS ASSET MANAGEMENT is committed to having a sustainability approach for its investments. Nonetheless, the extent and manner in which this approach is applied varies according to the type of sub-fund, management, asset class, region and instrument used. Furthermore, some sub-funds may apply additional investment guidelines, as described in Book II. Consequently, the implementation of the sustainability approach applies individually across all portfolios. This means the sub-fund's extra-financial score is compared to the one of its investment universe, that is the main securities and geographical areas targeted by each sub-fund, unless otherwise stated in Book II.

Unless specified in Book II, the extra-financial analysis coverage of each sub-fund classified as article 8 under SFDR must be at least (the "Minimum Extra-Financial Analysis"):

- 90%* of its assets for equities issued by large capitalisation companies whose registered office is located in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries ; or
- 75%* of its assets for equities issued by large capitalisations whose registered office is located in "emerging" countries, equities issued by small and medium capitalisations, debt securities and money market, instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

* These ratios are understood as excluding ancillary liquid assets.

The sustainability approach, including the integration of sustainability risks, is incorporated at each step of the investment process of each sub-fund and includes the following elements:

- **Responsible business conduct standards:** As defined in the BNP PARIBAS ASSET MANAGEMENT's Responsible Business Conduct policy ("RBC"), they include respecting: 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP PARIBAS ASSET MANAGEMENT sector policies.
  1) Norms-based screens: The United Nations Global Compact (www.unglobalcompact.org) defines 10 principles for businesses to uphold in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Similarly, the OECD Guidelines for Multinational Enterprises sets out principles for the responsible business conduct of businesses. These two shared frameworks are recognized worldwide and applicable to all industry sectors. Companies that violate one or more of the principles are excluded from the sub-funds' investments, and those at risk of breaching them are closely monitored, and may also be excluded.
  2) BNP PARIBAS ASSET MANAGEMENT has also defined a series of guidelines relating to investments in sensitive sectors, listed in the RBC. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the sub-funds' investments. The sectors concerned include, *but are not limited to*, palm oil, wood pulp, mining activities, nuclear, coal-fired power generation, tobacco, controversial weapons, unconventional oil and gas and asbestos.

BNP PARIBAS ASSET MANAGEMENT also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and / or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

- **ESG integration**:

  It involves the evaluation of the below non-financial criteria at the level of the issuers in which the sub-funds invest, including but not limited to the following (where deemed material):

For corporate issuers:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: respect of human rights, human resources management (workers' health and safety, diversity)
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

For sovereign issuers:

- Environmental: reduction of emissions of greenhouse gases, biodiversity, access to electricity, pollution;
- Social: economic inequality, access to education, employment, health infrastructure, demographics;
- Governance: business rights, corruption, democratic life, political stability, security.

ESG scores, as defined by an internal proprietary framework, is made available to assist in the ESG evaluation of securities' issuers. ESG integration is systematically applied to all investment strategies. The process to integrate and embed ESG factors in the investment decision-making processes is guided by formal ESG Integration Guidelines. However, the way and the extent to which

[1] In the meaning of global sustainability approach

ESG integration, including ESG scores, is embedded in each investment process is determined by its Investment Manager, who is fully responsible in this respect.

It involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution
- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital
- Governance: business rights, corruption, democratic life, political stability, security

Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT aims to embed sustainability considerations more fully into the markets in which it invests and in the rules that guide and govern company behavior as per its Public Policy Advocacy Strategy.

- **Stewardship**: It is designed to enhance the long-term value of shareholdings and the management of long-term risk for clients, as part of BNP PARIBAS ASSET MANAGEMENT's commitment to act as an efficient and diligent steward of assets. Stewardship activities include the following categories of engagement:
  - Company Engagement: the aim is to foster, through dialogue with companies, corporate governance best practices, social responsibility and environmental stewardship. A key component of company engagement is voting at annual general meetings. BNP PARIBAS ASSET MANAGEMENT publishes detailed proxy-voting guidelines on a range of ESG issues.

Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT aims to embed sustainability considerations more fully into the markets in which it invests and in the rules that guide and govern company behavior as per its Public Policy Stewardship Strategy

**For passively managed sub-funds only**

The ESG approach applied to the sub-funds is detailed in Book II.

*Integration of sustainability risks in the investment process of relevant sub-funds*

Sustainability risks, as defined in the "Appendix 3 - Investment Risks", are integrated when selecting the underlying sustainable (or with extra-financial characteristics) index. For the choice of a sustainable (or with extra-financial characteristics) index, the following elements are analyzed, including, but not limited to: Source and quality of ESG data used, legitimacy and expertise of the ESG data and/or index provider(s), ESG index methodology including ESG sector exclusions & integration of ESG criteria for securities' selection and weightings, portfolio diversification across sectors & countries, scalability and liquidity of the index, EU BMR compliancy, ESG rating of the index versus the relevant investment universe, requirements of the relevant benchmark in terms of ESG disclosure, Paris Aligned Benchmark (PAB) or Climate Transition Benchmark (CTB) classification…

The objective is to offer index sub-funds that track indices with positive sustainable characteristics compared to a parent index or a relevant investment universe (i.e lower carbon footprint, higher ESG score…).

The Investment Manager works closely with BNP PARIBAS ASSET MANAGEMENT's Sustainability Center for the above mentioned analysis. The in-house ESG scoring framework facilitates evaluation of company/sector specific ESG risks. As detailed in the Responsible Business Conduct Policy (RBC Policy), an exclusion list of companies that we deem to be in violation of the United Nations Global Compact Principles (www.unglobalcompact.org), the United Nations Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises, as well as companies that do not meet requirements set out in BNP PARIBAS ASSET MANAGEMENT's sector policies is maintained. The launch of a sub-fund on the relevant ESG index is validated based on this global analysis.

For sub-funds applying the full or optimised replication method, the investment process consists in investing in the securities that belong to the selected sustainable index accordingly.

For sub-funds applying the synthetic replication method, in addition to the selection process for the sustainable index, the integration of the analysis of the relevant sustainability issues and risks into the investment decisions is made when selecting securities for the 'substitute basket'.

**For all sub-funds**

*SFDR classification*

The sub-funds are classified into 3 categories, as indicated in the "*Contents*" section above as well as in each sub-fund's section of Book II:

- ⇨ Sub-funds promoting environmental or social characteristics (referred to as "**Article 8**"): These sub-funds promote among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.
- ⇨ Sub-funds having a sustainable investment as their objectives (referred to as "**Article 9**"): Sustainable investment is defined as an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.
- ⇨ Other sub-funds not categorized under Article 8 or Article 9.

**ESG Scoring Framework**

The sub-funds may use scoring frameworks to assess the ESG characteristics of an issuer.

These frameworks may be different depending on the index family and/or index provider's ESG scoring framework and / or the type of sub-funds (actively or passively managed). Some of the tracked indexes or investment strategies use BNP PARIBAS ASSET MANAGEMENT's proprietary ESG scoring framework in this respect.

**For corporate issuers:**

BNP PARIBAS ASSET MANAGEMENT's ESG scoring framework produces:

(1) - A company-level score based on a firm's performance on material ESG issues relative to peers.
(2) - A global ESG score that aggregates the average ESG scores of the companies in a portfolio.

A four-step process is used in order to score an issuer:

*1- ESG metric selection and weighting based on three criteria:*

(1) - Materiality of ESG issues that are material to the business of an issuer.
(2) - Measurability and insight.
(3) - Data quality and availability based on data of reasonable quality and that are readily available

*2- ESG assessment vs. peers*

This assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable between sectors and regions. For instance, health & safety is less important for an insurance company than a mining company.

Each issuer starts with a baseline 'neutral' score of 50. Each score is then summed for each of the three ESG pillars – Environmental, Social and Governance. An issuer receives a positive score for a pillar if it performs better than the average of its peer group. If it performs below than the average, it receives a negative score.

However, two universal issues that impact all companies are not scored relative to peers, introducing a deliberate 'tilt' for the most exposed sectors. These are:

(1) - Carbon emissions –An absolute carbon emission measure, creating a positive bias towards issuers and sectors with lower carbon emissions, has been implemented.
(2) - Controversies – Sectors that are more prone to ESG controversies have slightly lower scores, reflecting increased risk ('headline', reputational or financial risk).

The overall result is an intermediate quantitative ESG score that ranges from zero to 99, with the ability to see how each ESG pillar has added to or detracted from the issuer's final score.

*3- Qualitative review*

In addition to proprietary quantitative analysis, the methodology takes into account a qualitative review of issuers with information gathered from third-party sources, internal in-depth research on material issues (e.g. climate change) and knowledge and interaction with issuers.

*4- Final ESG score*

Combining both qualitative and quantitative inputs, an ESG score is reached ranging from zero to 99, with issuers ranked in deciles against peers. Issuers that are excluded from investment through the RBC policy are assigned a score of 0.

**For sovereign issuers:**

Rating the ESG performance of sovereigns is different than for corporate issuers.

BNP PARIBAS ASSET MANAGEMENT adapted its ESG scoring framework to provide a view of the ESG performance of a country. This enables to compare countries with different levels of economic development across a variety of environmental, social and governance dimensions. Notably, BNP PARIBAS ASSET MANAGEMENT assesses countries' ambition for tackling climate change with regards to their National Determined Contributions, through the detailed information on the policies adopted by countries to address climate change, and their forward-looking physical climate risk exposure. In addition, BNP PARIBAS ASSET MANAGEMENT takes into consideration countries' commitments concerning climate change, thus informing our engagement with them on this issue.
BNP PARIBAS ASSET MANAGEMENT also applies the BNP Paribas Group's sensitive countries framework, which includes risk mitigation measures on certain countries or activities that are considered particularly exposed to money laundering or terrorism financing. And finally, as with the company scoring model, BNP PARIBAS ASSET MANAGEMENT incorporates qualitative inputs from investment teams' in-depth knowledge, and from dialogue and engagement with debt management officials and policymakers.

BNP PARIBAS ASSET MANAGEMENT Sovereign ESG data model has equal weighting for the E-pillar (14 themes), S-pillar (12 themes) and G-pillar (7 themes), comprising a total of 225 KPIs structured around 33 key themes.

As the outcome, BNP PARIBAS ASSET MANAGEMENT has developed a robust scoring system that now covers almost 109 countries.
BNP PARIBAS ASSET MANAGEMENT has also supplemented a scoring model with direct engagements with governments.
BNP PARIBAS ASSET MANAGEMENT's Sovereign ESG methodology provides a robust analysis of a country's ESG performance and is differentiated by its inclusion of forward-looking views on climate risk in addition to typical ESG data points. BNP PARIBAS ASSET MANAGEMENT's Sovereign ESG model also provides a balanced view that enables us to compare countries with highly different economic developments.

**SFDR's Sustainable Investments**

In addition to the above, some sub-funds may have either a sustainable investment objective, in the meaning of Article 9 of SFDR, or intend to invest part of their assets in sustainable investments, as disclosed in Appendix 5.

The objectives of sustainable investments are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

BNP PARIBAS ASSET MANAGEMENT's internal methodology uses a binary approach of Sustainable Investment to qualify a company. This does not mean that all the economic activities of the entity considered have a positive contribution to an environmental or social objective, but it means that the considered entity has a quantitatively measured positive contribution to an environmental or social objective while not harming any other objective. These measures are the thresholds indicated in the below listed criteria. As such, as long as a company meets the threshold of at least one of these criteria and does not harm any other objective, the whole entity is qualified as a "sustainable investment".

BNP PARIBAS ASSET MANAGEMENT's internal methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;
2. A company with an economic activity contributing to one or more United Nations Sustainable Development Goals (UN SDGs) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.
3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;
4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a) Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b) Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation "POSITIVE" or "NEUTRAL" from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm "DNSH" principle) and should follow good governance practices. BNP PARIBAS ASSET MANAGEMENT uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the following website: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

**Taxonomy-aligned Investments**

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities in respect of the six EU's climate and environmental objectives defined by this regulation.

Thus, for the purpose of determining the environmental sustainability of a given economic activity, six environmental objectives are defined and covered by the Taxonomy Regulation: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.

To be qualified as Taxonomy-*aligned*, an economic activity has to meet the following four conditions:

- Be mapped as an eligible economic activity within the Technical Screening Criteria (TSC);
- Make a substantial contribution to at least one of the above mentioned environmental objective;
- Do no significant harm (DNSH) to any other environmental objective;
- Comply with minimum social safeguards through the implementation of procedures to meets minimum social requirements embedded in the OECD Guidelines on Multinational Enterprises (MNEs), the UN Global Compact (UNGC) and the ten UN Guiding Principles on Business and Human Rights (UNGP), with specific reference to the International Bill of Human Rights and the ILO Core Labour Conventions and Fundamental Principles and Rights at Work.

In order to determine the percentage of assets of each sub-fund invested in Taxonomy-aligned investments, as disclosed in Appendix 5, BNP PARIBAS ASSET MANAGEMENT may rely on third party data providers.

Nonetheless, taxonomy alignment data is not yet widely communicated or published and the activities of certain issuers require additional fundamental analysis in order to be accounted for and are therefore not taken into account by the taxonomy data that we use.

BNP PARIBAS ASSET MANAGEMENT is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further prospectus updates will be made accordingly.

More information on the internal methodology can be found on the following website: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

**Transparency of adverse sustainability impacts**

**For passively managed sub-funds**

The sub-funds consider principal adverse impacts on sustainability factors (PAI) as indicated in Appendix 5 of Book I. The PAI mentioned in this Annex are those at the last date of the Prospectus.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Due to the nature of the sub-funds, consideration of PAI may differ depending on the index family, index provider's ESG integration methodology and replication method.

For sub-funds applying the full or optimised replication method, the consideration of PAI is the same as the one of the index tracked and therefore depends on the ESG methodology of the index family/provider.

For sub-funds applying the synthetic replication method, the consideration of PAI is two-fold:

- At the level of the index since the sub-fund is exposed to the performance of the index (through derivatives);
- At the "substitute basket" level, in line with BNP PARIBAS ASSET MANAGEMENT's sustainable investment approach, when selecting securities for the "substitute basket", including, inter alia, the implementation of the RBC and stewardship internal policies.

In order for the Management Company to determine which PAI is considered and addressed or mitigated for each sub-fund, ESG methodology and disclosures of each index family/provider may be used .

Such analysis being not final, the list of PAI considered, addressed or mitigated for each sub-fund may evolve over time. Further subsequent prospectus updates will be made accordingly.

**For actively managed sub-funds**

The sub-funds consider principal adverse impacts on sustainability factors (PAI) by applying the RBC, and/or the other sustainability pillars listed in the "SFDR Disclosure Statement: sustainability risk integration and PASI considerations" (the "Disclosure Statement").

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. The sub-funds which are not categorized as Article 8 or Article 9, consider in their investment process, through the application of the RBC, the indicator n°10 on violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the indicator n°14 on the exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

For the sub-funds categorized as Article 8 and Article 9, through the combination of one or more pillars as detailed in the Disclosure Statement, and depending on the underlying assets, principal adverse impacts are considered and addressed or mitigated at sub-fund level.

Unless otherwise mentioned in the Tables disclosed in Appendix 5, by applying the sustainability pillars mentioned in the Disclosure Statement all of the following indicators are considered and addressed or mitigated by each sub-fund (the "General PAI Approach"): Corporate mandatory indicators:

The list of PAI that the Management Company is looking at is the one of SFDR and depends on the underlying assets of the sub-funds. The list is the following and the definition of each PAI can be found in such regulation:

***Corporate mandatory indicators:***

1. GHG Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

***Corporate voluntary indicators***

*Environment*

15. Investments in companies without carbon emission reduction initiatives

*Social*

16. Lack of a supplier code of conduct

17. Lack of a human rights policy

***Sovereign mandatory indicators***

18. GHG intensity

19. Investee countries subject to social violations

For sub-funds considering and addressing or mitigating all the above PAI, depending on the underlying asset class, the term "*All PAI considered, addressed or mitigated*" is added in Appendix 5 of Book I.

For the other sub-funds, the exact PAI considered and addressed or mitigated is listed in such appendix.

**Selectivity approach**

In the framework of the aforementioned sustainability approach, a sub-fund investment strategy described in Book II may refer to a "selectivity" approach consisting of reducing by a minimum percentage the investment universe following the application of ESG criteria.

Such selectivity can especially be achieved through the below allocation strategies:

- Best-in-class: Type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle within their sector of activity, without favoring nor excluding a given sector compared to a reference universe or index.
- Best-in-universe: Type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle regardless of their sector of activity, while assuming sectorial biases since sectors which are generally considered more virtuous will be more represented.

**Methodological limitations**

Applying an extra-financial strategy may comprise methodological limitations such as the "*Extra-financial criteria and Sustainability Investments Risk*" as defined in the appendix 3 of this Prospectus.

In particular, it should be noted that the methodologies used to take into account ESG non-financial criteria may be subject to reviews in the event of regulatory developments or updates that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

## LIQUIDITY RISK POLICY

The Management Company has established, implemented and consistently applies a liquidity management policy and has put in place a prudent and rigorous liquidity management procedure which enable it to monitor the liquidity risks of the sub-funds and to ensure that the sub-funds can normally meet at all times their obligation to redeem their shares at the request of shareholders. Qualitative and quantitative measures are used to ensure investment portfolios are appropriately liquid and that sub-funds are able to honor shareholders' redemption requests. In addition, shareholders' concentrations are regularly reviewed to assess their potential impact on liquidity of the sub-funds.

Sub-funds are reviewed individually with respect to liquidity risks. The Management Company's liquidity management policy takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and shareholder base. The Board of Directors, or the Management Company, where deemed necessary and appropriate to protect shareholders, may also make use, among others, of certain tools to manage liquidity risk as described in the following sections of the Prospectus:

- Section " Suspension of the calculation of the Net Asset Value and the issue, conversion and redemption of shares":
  The Board of Directors may temporarily suspend the calculation of the net asset value and the right of any shareholder to request redemption of any share in any sub-fund or share class of any sub-fund and the issue of shares in any sub-fund or share class of any sub-fund. Section " Subscription. Conversion and redemption of shares":
  The Board of Directors may decide to satisfy payment of the redemption price to any shareholder who agrees, in whole or in part, by an in-kind allocation of securities in compliance with the conditions set forth by Luxembourg law. If the Company receives requests on one valuation day for net redemptions (and switches into another sub-fund) of more than 10% of the net asset value of the relevant sub-fund or 50 million Euro or its equivalent in any other currency, the Board of Directors, in its sole discretion, may elect to limit each redemption (and switch) request pro rata such that the aggregate amount redeemed in that valuation day will not exceed 10% of the net asset value of the relevant sub-Fund or 50 million Euro or its equivalent in any other currency .
- Section "Anti-Dilution Mechanisms"

Anti-dilution mechanisms, which consist of either Anti-Dilution Levy or Swing Pricing, may be applied at the share class level for all sub-funds. Further details, including the share classes to which these mechanisms relate, are set out in the section "The Shares" of this Book I and in Book II of the Prospectus for each sub-fund.

"Anti-Dilution Levy":

An anti-dilution levy is charged to the investors' subscriptions, conversions and redemptions to cover transaction costs and to ensure an equal treatment of investors while preserving the net asset value of the relevant sub-fund.

"Swing Pricing":

The net asset value per Share of a sub-fund may be adjusted on a valuation date in certain circumstances.

Shareholders who wish to assess the underlying assets' liquidity risk for themselves should note that the sub-funds complete portfolio holdings are indicated in the latest annual report or the latest semi-annual report where this is more recent.

**SHARES CATEGORIES, SUB-CATEGORIES AND CLASSES**

**1. CATEGORIES**

Within each sub-fund, the Board of Directors will be able to create and issue the shares categories listed below:

<table>
<tr><th>Category</th><th>Investors</th><th>Initial subscription price per share[1][2]</th><th>Minimum Subscription[2]</th><th>Minimum inital subscription amount[2]<br>(in EUR or its equivalent in any other Reference Currency)</th></tr>
<tr><td>Track Classic</td><td rowspan="3">All</td><td rowspan="8">100 - in the Reference Currency except:<br>(v) If otherwise specified in Book II<br>JPY: 10.000</td><td rowspan="11">None</td><td rowspan="2">None</td></tr>
<tr><td>Classic</td></tr>
<tr><td>Classic PF [4]</td></tr>
<tr><td>Track E</td><td>100 000</td></tr>
<tr><td>Track Privilege</td><td rowspan="3">Distributors[3], Managers, All</td><td rowspan="3">(vi) Distributors[3]: None<br>(vii) Managers: None<br>(viii) Others: 100.000 per sub-fund</td></tr>
<tr><td>Privilege</td></tr>
<tr><td>Privilege PF[4]</td></tr>
<tr><td>Track Privilege Plus</td><td>Authorised distributors, Managers, All</td><td><u>50 million (except for authorised distributors)</u></td></tr>
<tr><td>Track I</td><td rowspan="3">Institutional Investors & UCIs</td><td rowspan="3"><u>Institutional Investors</u>: 250.000 per sub-fund<br><u>UCIs</u>: None</td></tr>
<tr><td>I</td></tr>
<tr><td>I PF [4]</td></tr>
<tr><td>Track I Plus</td><td rowspan="2">Authorised Investors; Institutional Investors & UCIs</td><td rowspan="2">100.000 - in the Reference Currency except:<br>- If otherwise specified in Book II</td><td rowspan="2">50 million</td></tr>
<tr><td>I Plus</td></tr>
</table>

| | | | | |
|---|---|---|---|---|
| UCITS ETF | Primary market: Authorised Participants and Authorised Investors<br>Secondary market: All | 10,- in the Reference Currency<br>except:<br>(ix) JPY: 10.000<br>(x) If otherwise specified in Book II | Primary market:<br>500,000 in the Reference Currency<br>Except:<br>JPY: 100 million<br>Secondary market:<br>None | None |
| UCITS ETF PF(4) | | | | |
| Consorsbank UCITS ETF | Consorsbank | | | |
| Track X | Authorised Institutional Investors | 100.000 - in the Reference Currency | None | None |
| X | | | | |
| S | Authorised Investors | | | 200 million |

*(1) Entry fee excluded, if any*

*(2) At the discretion of the Board of Directors.*

*(3) Distributors which (i) are prohibited from accepting and retaining inducements from third parties under applicable laws and regulations or (ii) have a separate fee arrangement with their clients in relation to the provision of investment services and activities and have opted not to accept and retain inducements from third parties , with respect to distributors that are incorporated in the EEA.*

*(4) PF stands for Performance Fee - please refer to section Fees and Costs, sub-section Performance fees for more details*

## 2. SUB-CATEGORIES

In some sub-funds, following sub-categories may be created:

### a) MD, QD & SD

These sub-categories may pay dividend on a monthly (MD), quarterly (QD) or semi-annually basis (SD).

### b) Hedged (H)

These sub-categories aim at hedging the Currency Exchange risks of the portfolio of the sub-fund against their Reference Currency. In the event of changes in the net asset value of the portfolio and/or of subscriptions and/or redemptions, hedging will be operated to the extent possible within specific bandwidths (should those limits not be respected from time to time, hedging readjustment will be operated). As a consequence, we cannot guarantee the currency exchange risk will be completely neutralised.

The currency of these sub-categories appears in their denomination (for example ”Classic H EUR” “Track Classic H EUR” “Track E H EUR” or “UCITS ETF H EUR” for a sub-category hedged in EUR when the currency exposure of the portfolio of the sub-fund is USD).

### c) Return Hedged (RH)

These sub-categories aim at hedging the portfolio return from Accounting Currency of the sub-fund (and not the underlying currency exposures) to the currency denomination of the sub-category. In the event of changes in the net asset value of the portfolio and/or of subscriptions and/or redemptions, hedging will be operated to the extent possible within specific bandwidths (should those limits not be respected from time to time, hedging readjustment will be operated).

The currency of these sub-categories appears in their denomination (for example, “Classic RH EUR”, "Track Classic RH EUR" “Track E RH EUR” or “UCITS ETF RH EUR” for a sub-category hedged in EUR and the accounting currency of the sub-fund is USD).

### d) Mono-Currency

These sub-categories are valued and issued solely in the Reference Currency, indicated by the denomination of the sub-category, which is different from the Accounting Currency of the sub-fund (for example “Classic USD”, “Track Classic USD” or “UCITS ETF USD” for a category issued and valued only in USD when the Accounting Currency of the sub-fund is EUR).

Other characteristics of these sub-categories as well as the fee structure are the same as those of their mother-category in the same sub-Fund.

Other characteristics of these sub-categories as well as the fee structure are the same as those of their mother-category in the same sub-fund, unless otherwise decided by the Board of Directors.

## 3. CAPITALISATION / DISTRIBUTION CLASSES

Any of the above share categories / sub-categories are issued in Capitalisation ("CAP") and/or Distribution ("DIS") classes as defined below.

- **CAP**

CAP shares retain their income to reinvest it.

- **DIS**

DIS shares may pay dividend to shareholders on an annual, semi-annual, monthly or quarterly basis.
The general meeting of shareholders holding DIS shares for each sub-fund concerned decides each year on the Board of Directors' proposal to pay a dividend, which is calculated in accordance with the limitations defined by law and the Articles of Association. In this respect, the general meeting reserves the right to distribute the net assets of each of the Company's sub-funds up to the limit of the legal minimum capital. Distributions may be paid out of net investment income or capital.

If, given market conditions, it is in the shareholders' interest not to distribute a dividend, then no such distribution will be carried out.

If it deems it advisable, the Board of Directors may decide to distribute interim dividends.

The Board of Directors determines the payment methods for the dividends and interim dividends that have been decided upon. Dividends will, in principle, be paid in the Reference Currency of the class (exchange costs incurred for payments in different currencies will be borne by the investor).

Declared dividends and interim dividends not collected by shareholders within a period of five years from the payment date will lapse and revert to the sub-fund concerned.

Interest will not be paid on declared and unclaimed dividends or interim dividends, which will be held by the Company on behalf of the shareholders of the sub-fund for the duration of the legal limitation period.

## 4. SHARE LEGAL FORMS

All the shares are issued in registered form, except for UCITS ETF shares, Consorsbank UCITS ETF or UCITS ETF PF that are issued in Euroclear in bearer form.
Track Classic, Track Privilege, Track Privilege Plus, Track I, Track X, Track E, Classic, Classic PF, Privilege, Privilege PF, I, I PF, S and X shares may also be issued in bearer form.
The shares are all listed into specific registers kept in Luxembourg by the Registrar Agent indicated in the section "General Information". Unless otherwise provided, shareholders will not receive a certificate representing their shares. Instead, they will receive a confirmation of their entry into the register.

Further to the Luxembourg law of 28 July 2014, all physical bearer shares have been cancelled. The cash equivalent of such cancelled shares has been deposited with the Luxembourg *Caisse de Consignation*.

## 5. GENERAL PROVISIONS AVAILABLE FOR ALL SHARES

The Board of Directors has the option of adding new Reference Currencies to existing categories or classes and, with the previous approval of the CSSF, of adding new share categories, sub-categories and classes to existing sub-funds with the same specification as those described above on points A, B and C. Such a decision will not be published but the website www.bnpparibas-am.com and the next version of the Prospectus will be updated accordingly.

The Board of Directors may depart from the initial subscription price per share. However, the equal treatment of shareholders shall be preserved at all time.

The Board of Directors may decide at any time to split or consolidate the shares issued within one same sub-fund, category, or class into a number of shares determined by the Board of Directors itself. The total net asset value of such shares must be equal to the net asset value of the subdivided/consolidated shares existing at the time of the splitting/consolidation event.

If the assets of a category/class fall below EUR 1,000,000.00 or equivalent, the Board of Directors reserves the right to liquidate or merge it with another category/class if it decides it's in the best interest of shareholders.

Before subscribing, the investor should check in Book II which categories and classes are available for each sub-fund.

If it transpires that shares are held by persons other than those authorised, they will be converted to the appropriate category, class or currency.

The shares must be fully paid-up and are issued without a par value. Unless otherwise provided, there is no limitation on their number. The rights attached to the shares are those described in the Law of 10 August 1915, unless exempted by the Law.

Fractions of shares may be issued up to one-thousandth of a share except for the UCITS ETF share classes categories.

All the Company's whole shares, whatever their value, have equal voting rights. The shares of each sub-fund, category, or class have an equal right to the liquidation proceeds of the sub-fund, category, or class.

If no specific information is given by the investor, orders received will be processed in the Reference Currency of the category.

When trading through a financial intermediary (such as a platform or clearing house) in a multi-currency share class, the investor must ensure that this intermediary is able to correctly deal in the additional currency other than the Reference Currency.

**Before subscription, investors are invited to seek information on the opening of the categories, their currencies and the sub-funds in which they are open.**

### ANTI-DILUTION MECHANISMS

### ANTI-DILUTION LEVY

For certain sub-funds, in addition to the entry, conversion or exit cost that may be charged to the investor, an anti-dilution levy may be paid by the investors to the sub-fund. The anti-dilution levy may apply to all share classes categories. Such amount covers transaction

costs (including dealing costs relating to the acquisition, disposal or sale of portfolio's assets, taxes and stamp duties) in order to ensure that all investors in a sub-fund are treated equitably and preserve the Net Asset Value of the relevant sub-fund (notably to accommodate large inflows and outflows) where the implementation of such mechanism is considered to be in the best interests of the sub-fund's shareholders.

This anti-dilution levy is charged to subscriptions, conversions and redemptions to ensure that the existing shareholders are not adversely affected by shareholders who are executing subscription, conversion or redemption orders.

No anti-dilution levy is charged to redemption orders directly followed by subscription orders on the same share class, made by the same investor (applying to the same number of shares and the same Net Asset Value).

The relevant sub-funds disclose the maximum cost level that could be charged to the subscription, conversion and redemption orders in Book II.

Anti-dilution levy will not be charged for conversions within a same sub-fund.

Details of such costs, if applicable to a specific sub-fund, will be set out in Book II.

**SWING PRICING**

Swing pricing may only apply to the Track Classic, Classic, Track Privilege, Privilege, Track I,I, Track I Plus, I Plus, S and Track E and E share classes. The detailed methodology and conditions for the application of swing pricing are set out in the "Net Asset Value" section of this Prospectus.

In the event swing pricing or an anti-dilution levy is applied to a share class of a sub-fund, the other mechanism shall not be cumulatively applied to client orders.

**SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES**

The shares of the Company may be locally offered for subscription via regular savings plans, redemption and conversion programs, specific to this local supply, and may be subject to additional charges.

In the event that a regular savings plan is terminated prior to the agreed final date, the sum of entry costs payable by the shareholders concerned may be greater than would have been the case for standard subscriptions.

Investors may be required to appoint a paying agent as nominee (the "Nominee") for all actions connected with their shareholding in the Company.

On the basis of this mandate, the Nominee is specifically required to:

A. send requests for subscription, redemption and conversion, grouped by share category, share class, sub-fund and distributor to the Company;

B. be listed on the Company's register in its name "on behalf of a third party"; and

C. exercise the investor's voting right (if any), according to the investor's instructions.

The Nominee must make every effort to keep an up-to-date electronic list of investors' names and addresses and the number of shares held; the status of shareholder can be verified via the confirmation letter sent to the investor by the Nominee.

Investors are informed that they may be required to pay additional fees for the activity of the above Nominee.

For further details, investors are invited to read the subscription documents available from their usual distributor.

***Preliminary Information***

Subscriptions, conversions and redemptions of shares are made with reference to their unknown net asset value (NAV). They may concern a number of shares or an amount.

The Board of Directors reserves the right to:

(a) refuse a subscription, or conversion request for any reason whatsoever in whole or in part;

(b) redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares;

(c) reject subscription, conversion or redemption requests from any investor who it suspects of using practices associated with Market Timing and Active Trading, and, where applicable, take necessary measures to protect the other investors in the Company, notably by charging an additional exit fees up to 2% of the order amount, to be retained by the sub-fund.

The Board of Directors is authorised to set minimum amounts for subscription, conversion, redemption and holding.

Subscriptions from entities which submit subscription applications and whose names show that they belong to one and the same group, or which have one central decision-making body, will be grouped together to calculate these minimum subscription amounts.

Should a share redemption or conversion request, a merger/splitting procedure, or any other event, have the effect of reducing the number or the total net book value of the shares held by a shareholder to below the number or value decided upon by the Board of Directors, the Company may redeem all the shares.

In certain cases stipulated in the section on suspension of the calculation of the NAV, the Board of Directors is authorised to temporarily suspend the issue, conversion and redemption of shares and the calculation of their net asset value.

The Board of Directors may decide, in the interest of the shareholders, to close a sub-fund, category and/or class for subscription or conversion in, under certain conditions and for the time it defines. Such a decision will not be published but the website www.bnpparibas-am.com will be updated accordingly.

**In connection with anti-money laundering procedures, the subscription form must be accompanied, in the case of an individual, by the identity card or passport of the subscriber, authenticated by a competent authority (for example, an embassy, consulate, notary, police superintendent) or by a financial institution subject to equivalent identification standards to those applicable in Luxembourg or the Articles of Association; and by an extract from the trade and companies register for a legal entity, in the following cases:**

1. **direct subscription to the Company;**
2. **subscription through a professional financial sector intermediary resident in a country that is not subject to an obligation for identification equivalent to Luxembourg standards as regards preventing the use of the financial system for the purposes of money laundering;**

3. **subscription through a subsidiary or branch office, the parent company of which would be subject to an obligation for identification equivalent to that required under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure that its subsidiaries or branch offices adhere to these provisions.**

**The Company is also bound to identify the source of funds if they come from financial institutions that are not subject to an obligation for identification equivalent to those required under Luxembourg law. Subscriptions may be temporarily frozen pending identification of the source of the funds.**

**It is generally accepted that finance sector professionals resident in countries that have signed up to the conclusions of the FATF (Financial Action Task Force) on money laundering are deemed to have an obligation for identification equivalent to that required under Luxembourg law.**

***Processing of Personal Data***

In accordance with GDPR, when submitting a subscription request, personal data of the investor ("Personal Data") may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company and the Management Company (as data controllers) with a view to managing its account and business relationship (such as to maintain the register of shareholder, process requests, provide shareholder services, guard against unauthorised account access, conduct statistical analyses, provide information on other products and services and/or comply with various laws and regulations). To the extent that this usage so requires, the investor further authorises the sharing of this information with different service providers of the Company, including some of which that may be established outside of the European Union, who may need to process these Personal Data for carrying out their services and complying with their own legal obligations, but which may not have data protection requirements deemed equivalent to those prevailing in the European Union. The Personal Data may notably be processed for purposes of filing, order processing, responding to shareholder's requests, and providing them with information on other products and services. Neither the Company nor its Management Company will disclose such Personal Data on shareholder unless required to do so by specific regulations or where necessary for legitimate business interests.

Further detailed information in relation to the processing of Personal Data can be found in the Management Company's "Data Protection Notice" as well as on the "Personal Data Privacy Charter", which are accessible via the following link https://www.bnpparibas-am.com/en/footer/data-protection/

Each shareholder whose Personal Data has been processed has a right of access to his/her/its Personal Data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

The provisions related to the above-mentioned section are as follows:

- ## UCITS ETF, CONSORSBANK UCITS ETF AND UCITS ETF PF SHARE CLASSES

UCITS ETF Shares and UCITS ETF PF Shares have the same characteristic as the other share classes except the point described below.

Mainly, UCITS ETF Shares, Consorsbank UCITS ETF and UCITS ETF PF Shares aim at being listed on at least one regulated market and being bought and sold on either a regulated market or a MTF or a SI, usually describe as a "secondary market". For a UCITS ETF Share, Consorsbank UCITS ETF and UCITS ETF PF, the access to the Registrar and Transfer Agent is usually named "primary market".

No fraction of UCITS ETF Shares, Consorsbank UCITS ETF and UCITS ETF PF Shares will be issued.

***On the primary market***

Authorised Participants or Authorised Investors are authorised by the Board of Directors to subscribe shares of a particular sub-fund in return for a contribution in cash and/or an instrument and securities portfolio which is representative of this particular sub-fund's Benchmark Index.

***a) Issue of shares***

By exception to the other share classes, subscriptions can be paid for in cash, in accordance with the rules set out above, or by the contribution of instruments and securities representative of the Benchmark Index (in case of full replication), in which case the following conditions must be satisfied:

- Subscriptions in one particular sub-fund can only be paid for in securities by the contribution of a basket of instruments and securities reflecting the composition of the sub-fund's Benchmark Index or the sub-fund's portfolio (for actively managed sub-funds).
- For each subscription in one particular sub-fund received before the relevant deadline, the basket of instruments and securities to be contributed is based on the composition of the sub-fund's Benchmark Index before the start of trading on that day, and shall be submitted to the Board of Directors.
- The Board of Directors may accept or refuse all or some of the proposed baskets of instruments and securities until the relevant deadline on the next Trading Day.
- If the instruments and securities are accepted, they are valued in accordance with the rules set forth in the Prospectus and the Articles of Association.

The Board of Directors accepts a portfolio only if the portfolio securities and assets are compatible with the sub-fund's investment policy and investment restrictions. All contributions will be subject to regular controls by the Auditor, which will be laid down in a written report.

When the issue price is paid by contributing instruments and securities, the instruments and securities must be transferred to the relevant sub-fund as described in Book II.

***b) Redemption of shares***

The deadlines for redemption orders applicable to each sub-fund are detailed in Book II.

By exception to the other share classes, redemptions can be paid for in cash, in accordance with the rules set out above, or by the contribution of instruments and securities representative of the Benchmark Index (in case of full replication). Redemptions in kind are possible upon specific approval of the Board of Directors, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by

the manager, taking into account the investment policy and restrictions of the sub-fund in question and the following conditions must be satisfied:

(1) Redemptions in one particular sub-fund can only be reimbursed for in securities by the contribution of a basket of instruments and securities reflecting the composition of the sub-fund's Benchmark Index;

(2) For each redemption in one particular sub-fund received before the relevant deadline, the basket of instruments and securities to be contributed is based on the composition of the sub-fund's Benchmark Index before the start of trading on that day, and shall be submitted to the Board of Directors;

(3) The Board of Directors may accept or refuse all or some of the proposed baskets of instruments and securities until the relevant deadline on the next Trading Day.

The costs of such transfers may be borne by the applicant.

The Board of Directors ensures that allocation of a sub-fund's portfolio of instruments and securities as payment of the redemption price is not detrimental to the interests of the other sub-fund's shareholders.

When the redemption price is paid by the allocation of instruments or securities held in the sub-fund's portfolio, they must be transferred to the investor as described in Book II.

***c) Conversion of shares into shares of other classes***

Conversion from or into any UCITS ETF, Consorsbank UCITS ETF or UCITS ETF PF share class is subordinated to the authorisation of the Board of Directors.

Only conversions between UCITS ETF and UCITS ETF PF share categories within the same sub-fund are allowed without authorization of the Board of Directors. Such conversions shall not trigger any anti-dilution levy.

***d) Listing of shares***

The Board of Directors decides on which regulated market the shares are admitted to official listing.

***On the secondary market***

The Board of Directors does not charge any subscription or redemption fee for purchases and sales on the secondary market.

Orders to buy or sell a sub-fund's shares may be placed on the Relevant Stock Exchanges through a broker or any other financial intermediary.

Trading orders generate costs over which the Board of Directors has no control.

The price of any sub-fund's share traded on the secondary market will depend on supply and demand of the underlying index or investment strategy. In addition, the Company may appoint one or more Market Maker(s) to provide liquidity during trading hours.

If publication of a Benchmark Index is discontinued or suspended, the relevant sub-fund's listing will be suspended at the same time. As soon as publication of its Benchmark Index is resumed, the sub-fund's listing will be resumed and factor in any change in the sub-fund's Net Asset Value and in the Indicative Net Asset Value since suspension.

In accordance with points 21 to 24 of the ESMA Guidelines 2014/937 and for the avoidance of doubt, UCITS ETF shares, Consorsbank UCITS ETF and UCITS ETF PF purchased on the secondary market cannot usually be sold directly back to UCITS ETF, Consorsbank UCITS ETF and UCITS ETF PF, nor redeemed. Investors must buy and sell shares on a secondary market with the assistance of an intermediary (e.g a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying shares and may receive less than the current net asset value when selling them. If the stock exchange value of the sub-funds' shares varies significantly from its net asset value, investors who bought their shares on the secondary market will be authorised to have their shares redeemed on the primary market directly by the sub-fund without the application of the minimum size requirement defined in the paragraph "Shares categories, sub-categories and classes" of section "The Shares". This applies for instance in case of market disruption such as the absence of a market maker. In such situations, relevant information will be communicated to the regulated market indicating that the sub-fund is open for direct redemptions at the level of the sub-fund . In this event, the investors in question or their intermediaries will have to follow the process described in the paragraph "Redemption of Shares" of section "Subscription, Redemption and Conversion of Share – On the primary market".

## • OTHER SHARE CLASSES

***Subscriptions***

The shares will be issued at a price corresponding to the net asset value per share plus the entry fees as described in the below table.

For an order to be executed at the net asset value on a given Valuation Day, it must be received by the Company before the time and date specified in the detailed conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next Valuation Day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the subscribed shares and the identity of the subscriber as described above.

Unless otherwise provided for a particular sub-fund, the subscription price of each share is payable in the Reference Currency of the shares concerned within the time period defined in Book II, increased, where necessary, by the applicable entry fees. At the shareholder's request, the payment may be made in a currency other than the Reference Currency. The exchange expenses will then be borne by the shareholder.

The Company reserves the right to postpone, and/or cancel subscription requests if it is not certain that the appropriate payment will reach the Depositary within the required payment time or if the order is incomplete. The Board of Directors or its agent may process the request by applying an additional charge to reflect interest owed at the customary market rates; or cancelling the share allotment, as applicable accompanied by a request for compensation for any loss owing to failure to make payment before the stipulated time limit. The shares will not be assigned until the duly completed subscription request has been received accompanied by the payment or a document irrevocably guaranteeing that the payment will be made before the deadline. The Company cannot be held responsible for the delayed processing of incomplete orders.

Any outstanding balance remaining after subscription will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be retained by the relevant sub-fund.

The Board of Directors may accept the issue of shares in exchange for the contribution in kind of transferable securities, in accordance with the conditions defined by Luxembourg Law, in particular with respect to the obligation for the submission of a valuation report by the Auditor mentioned under "General Information" above, and provided that these transferable securities meet the Company's investment policy and restrictions for the sub-fund concerned as described in Book II. Unless otherwise provided, the costs of such a transaction will be borne by the applicant.

In the event that the total net subscription/conversion for a given sub-fund on a Valuation Day equals or exceeds 10% of the net assets of the sub-fund in question, or 50 million Euro or its equivalent in any other currency, the Board of Directors may decide to postpone the processing of all or some subscription/conversion requests for a period determined by it in the sub-fund's best interests. On the Valuation Day following termination of the subscription/conversion suspension period, the suspended subscription/conversion requests will be processed first, before any request received subsequently.

***Conversions***

Without prejudice to the specific provisions of a sub-fund, category, or class, shareholders may request the conversion of some or all of their shares into shares of another sub-fund, category, or class. The number of newly issued shares and the costs arising from the transaction are calculated in accordance with the formula described below.

Conversions are only permitted between the following categories:

| To: / From: | ***Classic*** | ***Classic PF*** | ***Privilege*** | ***Privilege PF*** | ***I*** | ***I PF*** | ***I Plus*** | ***X*** | ***S*** | ***Track Classic*** | ***Track Privilege*** | ***Track Privilege Plus*** | ***Track I*** | ***Track I Plus*** | ***Track X*** | ***Track E*** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Classic*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Classic PF*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Privilege*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Privilege PF*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***I*** | Yes | Yes | Yes | Yes | Yes | Yes | Yes (1) | No | NA | Yes | Yes | Yes | Yes | Yes (1) | No | Yes |
| ***I PF*** | Yes | Yes | Yes | Yes | Yes | Yes | Yes(1) | No | NA | Yes | Yes | Yes | Yes | Yes | No | Yes |
| ***I Plus*** | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | NA | Yes | Yes | Yes | Yes | Yes | No | Yes |
| ***X*** | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | NA | Yes | Yes | Yes | Yes | No | Yes | Yes |
| ***S*** | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| ***Track Classic*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Track Privilege*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Track Privilege Plus*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |
| ***Track I*** | Yes | Yes | Yes | Yes | Yes | Yes | Yes (1) | No | NA | Yes | Yes | Yes | Yes | Yes(1) | No | Yes |
| ***Track I Plus*** | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | NA | Yes | Yes | Yes | Yes | Yes | No | Yes |
| ***Track X*** | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | NA | Yes | Yes | Yes | Yes | No | Yes | Yes |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Track E*** | Yes | Yes | Yes | Yes | Yes | Yes | No | No | NA | Yes | Yes | Yes | Yes | No | No | Yes |

(1) Conversion from I to I Plus, from I to Track I Plus, from Track I to I Plus, from Track I to Track I Plus, is subject to (i) meeting the subscription conditions of the relevant I Plus share category and (ii) Board of Directors' approval.

Conversion principles of the sub-categories are the same as those of their mother-category.

For a conversion order to be executed at the net asset value on a given Valuation Day, it must be received by the Company before the time and date specified for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next Valuation Day.

***Conversion Formula***

The number of shares allocated to a new sub-fund, category or class will be established according to the following formula:

$$A = \frac{B \times C \times E}{D}$$

*A* *being the number of shares to be allocated in the new sub-fund;*

*B* *being the number of shares of the original sub-fund to be converted;*

*C* *being the prevailing net asset value per share of the original sub-fund on the relevant Valuation Day;*

*D* *being the prevailing net asset value per share of the new sub-fund on the relevant Valuation Day; and*

*E* *being the exchange rate applicable at the time of the transaction between the currencies of the two concerned sub-funds*

Investors will be charged for any foreign exchange transactions carried out at their request.

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after conversion will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

***Redemptions***

Subject to the exceptions and limitations prescribed in the Prospectus, all shareholders are entitled, at any time, to have their shares redeemed by the Company.

For an order to be executed at the net asset value on a given Valuation Day, it must be received by the Company before the time and date specified in the conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next Valuation Day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the shares in question and the identity of the shareholder as described above.

Unless otherwise provided for a particular sub-fund, the redemption amount for each share will be reimbursed in the subscription currency, less, where necessary, the applicable exit fees.

At the shareholder's request, the payment may be made in a currency other than the subscription currency of the redeemed shares, in which case the exchange costs will be borne by the shareholder and charged against the redemption price. The redemption price of shares may be higher or lower than the price paid at the time of subscription (or conversion), depending on whether the net asset value has appreciated or depreciated in the interval.

The Company reserves the right to postpone redemption requests if the order is incomplete. The Company cannot be held responsible for the delayed processing of incomplete orders.

Redemptions in kind are possible upon specific approval of the Board of Directors, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by the manager, taking into account the investment policy and restrictions of the sub-fund in question. The costs of such transfers may be borne by the applicant.

In the event that the total net redemption/conversion applications received for a given sub-fund on a Valuation Day equals or exceeds 10% of the net assets of the sub-fund in question, or 50 million Euro or its equivalent in any other currency, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 10% of the net assets of the Sub-Fund concerned. Any redemption/conversion applications deferred shall be given in priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 10% of net assets.

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after redemption will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

**Costs payable by the Investors**

Maximum charges paid directly by the investors which may be paid solely at the occurrence of a specific operation (entry, conversion, exit):

<table>
<tr><th>shares</th><th>Entry</th><th>Conversion</th><th>Exit</th></tr>
<tr><td>UCITS ETF (for primary market only)</td><td rowspan="13">3%</td><td rowspan="3">None</td><td rowspan="3">3%</td></tr>
<tr><td>UCITS ETF PF (for primary market only)</td></tr>
<tr><td>Consorsbank UCITS ETF (for primary market only)</td></tr>
<tr><td>Track Classic</td><td rowspan="8">1.50%</td><td rowspan="13">None</td></tr>
<tr><td>Track E</td></tr>
<tr><td>Classic</td></tr>
<tr><td>Classic PF</td></tr>
<tr><td>Track Privilege</td></tr>
<tr><td>Track Privilege Plus</td></tr>
<tr><td>Privilege</td></tr>
<tr><td>Privilege PF</td></tr>
<tr><td>Track I</td><td rowspan="8">None</td><td rowspan="8">None</td></tr>
<tr><td>I</td></tr>
<tr><td>I PF</td></tr>
<tr><td>Track I Plus</td></tr>
<tr><td>I Plus</td></tr>
<tr><td>Track X</td></tr>
<tr><td>X</td></tr>
<tr><td>S</td></tr>
</table>

In addition, the investor's subscription, conversion or redemption order may be subject to an anti-dilution levy paid to the sub-fund in order to cover transaction costs. Information regarding the anti-dilution levy, its implementation status and current rates, will be made available on the following website https://www.bnpparibas-am.com. Maximum rates are mentioned in Book II.

Conversion:

- In the event of conversion to a sub-fund with a higher Entry Fees, the difference may be payable.

The above table is to be read together with the section the "Shares".

**Fees and Expenses payable by the Sub-funds**

Each sub-fund is charged fees or generate expenses specifically attributable thereto. Fees and expenses not attributable to any particular sub-fund are allocated among all the sub-funds on a pro rata basis in relation to their respective net asset values.

These fees and expenses are calculated daily and paid monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company. The amount charged varies depending on the value of the NAV.

Please refer to Book II of this Prospectus for detailed information on the annual fees and charges applicable to the sub-fund(s) you are invested in.

**Distribution Fee**

Fee serving to cover remuneration of the distributors, supplemental to the portion of the management fee that they receive for their services.

**Extraordinary Expenses**

Expenses other than management, performance, distribution and other fees borne by each sub-fund. These expenses include but are not limited to:

- Interest and full amount of any duty, levy and tax or similar charge imposed on a sub-fund
- litigation or tax reclaim expenses
- costs and expenses linked to class action procedures

**Management Fee**

Fee serving to cover remuneration of the investment managers and, unless otherwise provided in Book II, also distributors in connection with the marketing of the Company's stock.

Subject to applicable laws and regulations, the Management Company may pay part or all of its fees to any person that invests in or provides services to the Company or in respect of any sub-fund the form of a commission, retrocession, rebate or discount, as more detailed below.

The objective of such fees is inter alia, to facilitate the commercialisation and the management of the Company or the sub-funds, taking into account the best interest of the shareholders.
These fees will take the form of a percentage of the management fees based on modalities as described in the paragraphs 'Commissions or retrocessions' and 'Rebates or discounts' below."

**Commissions or retrocessions**

In the context of activities involving third parties or external service providers, the Management Company may pay commissions or retrocessions as remuneration for services such as:

- Setting up processes for the subscription, holding and safe custody of shares
- Storage and distribution of marketing and legal documents
- Transmission or provision of legally prescribed publication or other publications
- Performing due diligence by delegation of the Management Company or the representative in areas such as money laundering, clarification needs etc
- Handling investors' requests
- Appointing and monitoring sub-distributors

Commissions and retrocessions are not deemed to be rebates or discounts even if they are ultimately passed on, in full or in part, to the investors.

**Rebates or discounts**

The Management Company may grant rebates or discounts directly to investors in order to reduce the fees or costs incurred by the concerned investors under the following conditions:

- The rebates or discounts are paid from fees received by the Management Company and therefore do not represent an additional charge on the SICAV
- They are granted on the basis of objective criteria

The following criteria determining the granting of rebates or discounts are alternative and not cumulative:

- The volume subscribed by the investor or the total volume they hold in the collective investment scheme, or, where applicable, in the range of products or services of the promoter or the group of which it is part
- The expected holding period
- The amount of fees generated by the investor

  The investor's willingness to provide support in the launch phase of a collective investment scheme

Requests for information regarding rebates may be addressed to AMLU.ClientService@bnpparibas.com

**Other Fees**

Fee serving to cover notably the following services:

- administration, domiciliary and fund accounting
- audit
- custody, depositary and safekeeping
- documentation, such as preparing, printing, translating and distributing the Prospectus, KIDs, financial reports
- ESG certification and service fees
- financial index licensing & data fees (if applicable)
- legal expenses
- listing of shares on a stock exchange and all related services for ETF secondary market (if applicable)
- management company expenses (including among other AML/CFT, KYC, Risk and oversight of delegated activities)
- marketing operations
- publishing fund performance data
- registration expenses including translation
- services associated with the required collection, tax and regulatory reporting, and publication of data about the Company, its investments and shareholders
- transfer, registrar and payment agency

These fees do not include fees paid to independent Directors and reasonable out-of-pocket expenses paid to all Directors, expenses for operating hedged shares, duties, taxes and transaction costs associated with buying and selling assets, brokerage and other transactions fees, interest and bank fees.

**Fees discount applicable at the launch of sub-funds**

Management Fees and Other Fees, as defined above, may be reduced by up to 50% when applicable, for a period of 12 months from the launch date of the concerned Sub-fund, for investors providing support in the launch phase.

**Performance fees applicable to actively managed sub-funds**

*Relative Performance Fee*

The performance fee is determined over the performance period and corresponds to a percentage "Performance Fee Rate" of the positive difference "over performance" between the annual performance of the share class and the annual performance calculated with the application of the Benchmark method. Performance Fee Provision will be accrued at each valuation day based on the unswung (see swing pricing part in the prospectus) share class's total net asset if the share class's performance exceeds the performance determined as per the Benchmark method. The Performance Fee Provision will be then adjusted at each valuation day depending on the share class's performance.

**The performance fee will be applied when the performance of the share class is higher than that of the Benchmark, even in case of negative absolute performance over the Performance Reference Period.**

In case of underperformance at the end of the Performance Period, a loss is carried forward over a maximum period of 5 years. That means that after 5 full consecutive years with no performance fees paid to the Management Company, the Benchmark performance and the Performance Reference Period will be reset.

Performance fee provision is payable, on a yearly basis, to the Management Company based on the accruals at the end of the Performance Period.

If shares are redeemed during the performance period, the fraction of the provisioned performance fee linked to the total amount redeemed shall be granted definitively to the Management Company at the end of the Performance Period.

For each launch of a new share class with performance fees, the first Performance Period will start from the launch date of the given share class and will end upon completion of the end of the next financial year (> 12 months).

When decision is taken to liquidate or to merge a share class subject to performance fee, the potential Performance Fee Provision raised at the event date will be paid to the Management Company.

In case of merger with a ratio 1:1 and where the receiving share class is a newly established one with no performance history, the Performance Period of the merging share class should continue applying in the receiving share class.

*Terminology*

**Benchmark**:

A market index against which to assess the performance of a share class.

**Cap:**

An annual percentage cap might be applied to the performance fee and detailed in Book II when applicable.

**Fictive Asset:**

The fictive asset is defined by the net asset value at the launch date in case of share class launching or the last asset published at the end of the financial year when an over performance is noticed to which is added inflows and outflows. The determined amount is multiplied by the Benchmark (% of performance) at each valuation day.

**Gross Asset Value (GAV):**

Net Asset Value (NAV) before performance fee provision booking.

**Over-Performance Amount:**

Amount determined by the difference between GAV per share and the Fictive Asset.

**Performance Fee Provision:**

Amount determined by the application of the Performance Fee Rate on the Over-Performance Amount. This provision is booked and adjusted at each valuation day.

**Performance Fee Rate:**

Rate applied at each valuation day to determine the amount of the Performance Fees Provision.

**Performance Period:**

Period on which the share class's performance is measured and corresponds to the financial year.

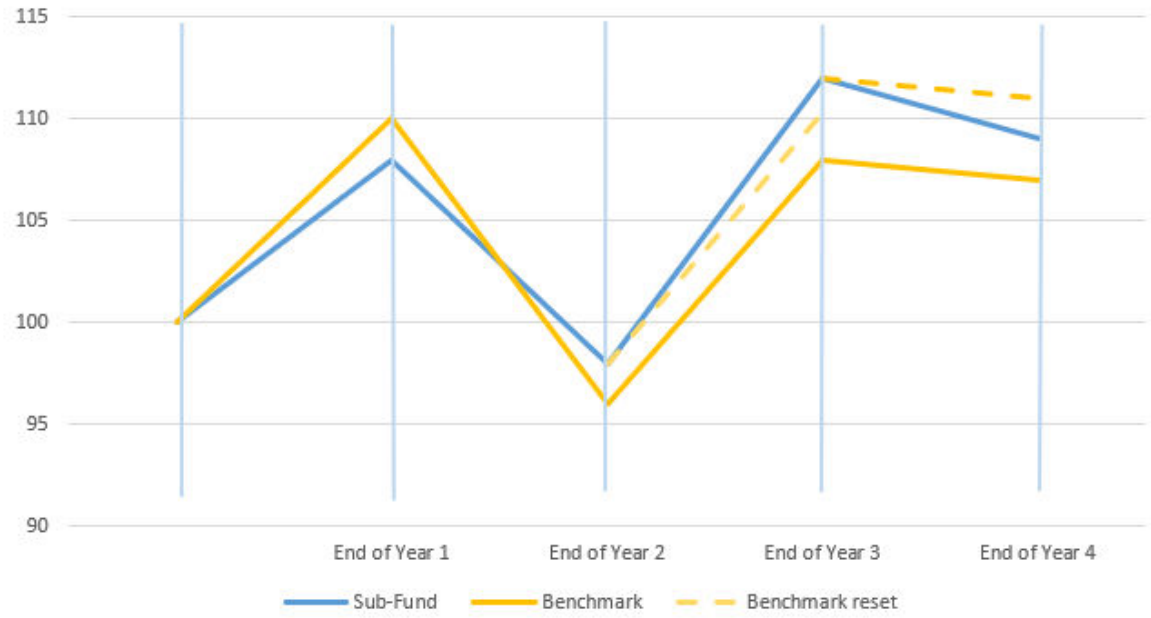
**Performance Reference Period:**

The time horizon over which the performance is measured and compared with that of the Benchmark, at the end of which a performance fee is payable or the mechanism for the compensation for past under-performance can be reset.

*Example*

Examples are for illustration only, and are not intended to reflect any actual past performance or potential future performance.

Benchmark method




- At the end of year 1, the Gross Asset Value per share class (108) underperforms the Benchmark (110). No performance fee is payable and no reset will be performed on the Benchmark.
- During year 2, the Gross Asset Value per share class goes from underperforming the Benchmark to outperforming it. Even if the Benchmark and share class performance are negative, the last one is less negative than the performance of the Benchmark. Performance fee is payable. Benchmark and Performance Reference Period are reset.
- At the end of year 3, the Gross Asset Value per share class (112) outperforms the reset Benchmark (110.25). Performance fee is payable. Benchmark and Performance Reference Period are reset.
- At the end of year 4, the Gross Asset Value per share class (109) falls below the reset Benchmark (110.96). No performance fee is payable and no reset will be performed on the Benchmark.

| **Year** | **0 (Initial values)** | **1** | **2** | **3** | **4** |
|---|---|---|---|---|---|
| **Final GAV per share level** | 100 | 108 | 98 | 112 | 109 |
| **Final Benchmark level** | 100 | 110 | 96 | 108 | 107 |
| **Final reset Benchmark level** | N.A. | 110 | 98 | = 98 * 108/96 = 110.25 | = 112 * 107 /108 = 110.96 |
| **Performance Reference Period ("PRP")** | N.A. | Year 1 | Years 1 + 2 | Year 3 | Year 4 |
| **GAV per share performance during the PRP** | N.A. | 8.00% | -2.00% | 14.29% | -2.68% |
| **Benchmark performance during the PRP** | N.A. | 10.00% | -4.00% | 12.50% | -0.93% |
| **GAV per share performance > Benchmark performance over PRP** | N.A. | NO | YES | YES | NO |
| **If condition is met, then: => Performance fee is payable and Benchmark and PRP are reset** | N.A. | NO | YES | YES | NO |
| **PERFORMANCE FEE (with 20% Performance Fee Rate)** | N.A. | 0 | = 20% * (-2% - (-4%)) = **0.40%*** | = 20% * (14.29% - 12.50%) = **0.36%*** | 0 |

* In case of a Cap set - the performance fee would be limited to such Cap.

**Regulatory and Tax Fees**

These fees include:

- the Luxembourg taxe d'abonnement (subscription tax)
- foreign UCI's tax and/or other regulatory levy in the country where the sub-fund is registered for distribution

## CALCULATION OF THE NET ASSET VALUE PER SHARE

Each net asset value calculation will be made as follows under the responsibility of the Board of Directors:

1. The net asset value will be calculated as specified in Book II.
2. The net asset value per share will be calculated with reference to the total net assets of the corresponding sub-fund, category, or class. The total net assets of each sub-fund, category, or class will be calculated by adding all the asset items held by each (including the entitlements or percentages held in certain internal sub-portfolios as more fully described in point 4, below) from which any related liabilities and commitments will be subtracted, all in accordance with the description in point 4, paragraph 4, below.
3. The net asset value per share of each sub-fund, category, or class will be calculated by dividing its respective total net assets by the number of shares in issue up to four decimal places, except for those currencies for which decimals are not used and if otherwise specified in Book II for a given sub-fund.
4. The Indicative Net Asset Value of each sub-fund is made available by the Company or its designee, on the basis of changes in the price of the relevant index or investment strategy components. It is published by the relevant data providers as indicated on the website https://www.easy.bnpparibas.com.

   The Management Company or the Company may decide to publish an additional Net Asset Value per share for each sub-fund or each category in a sub-fund on any day which is not a Valuation Day as defined in Book II. This additional Net Asset Value will be published for information purpose only. For the avoidance of doubt no subscriptions, redemptions or conversions will be accepted based on this Net Asset Value per share.
5. Internally, in order to ensure the overall financial and administrative management of the set of assets belonging to one or more sub-funds, categories, or classes, the Board of Directors may create as many internal sub-portfolios as there are sets of assets to be managed (the “internal sub-portfolios”).

   Accordingly, one or more sub-funds, categories, or classes that have entirely or partially the same investment policy may combine the assets acquired by each of them in order to implement this investment policy in an internal sub-portfolio created for this purpose. The portion held by each sub-fund, category, or class within each of these internal sub-portfolios may be expressed either in terms of percentages or in terms of entitlements, as specified in the following two paragraphs. The creation of an internal sub-portfolio will have the sole objective of facilitating the Company’s financial and administrative management.

   The holding percentages will be established solely on the basis of the contribution ratio of the assets of a given internal sub-portfolio. These holding percentages will be recalculated on each Valuation Day to take account of any redemptions, issues, conversions, distributions or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

   The entitlements issued by a given internal sub-portfolio will be valued as regularly and according to identical methods as those mentioned in points 1, 2 and 3, above. The total number of entitlements issued will vary according to the distributions, redemptions, issues, conversions, or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.
6. Whatever the number of categories, or classes created within a particular sub-fund, the total net assets of the sub-fund will be calculated at the intervals defined by Luxembourg Law, the Articles of Association, or the Prospectus. The total net assets of each sub-fund will be calculated by adding together the total net assets of each category, or class created within the sub-fund.
7. Without prejudice to the information in point 5, above, concerning entitlements and holding percentages, and without prejudice to the particular rules that may be defined for one or more particular sub-funds, the net assets of the various sub-funds will be valued in accordance with the rules stipulated below.

## COMPOSITION OF ASSETS

The Company’s assets primarily include:

a) cash in hand and cash deposit including interest accrued but not yet received and interest accrued on these deposits until the payment date;

b) all notes and bills payable on demand and accounts receivable (including the results of sales of securities before the proceeds have been received);

c) all securities, units, shares, bonds, options or subscription rights and other investments and securities which are the property of the Company;

d) all dividends and distributions to be received by the Company in cash or securities that the Company is aware of;

e) all interest accrued but not yet received and all interest generated up to the payment date by securities which are the property of the Company, unless such interest is included in the principal of these securities;

f) the Company’s formation expenses, insofar as these have not been written down;

G) all other assets, whatever their nature, including prepaid expenses.

## VALUATION RULES

The assets of each sub-fund shall be valued as follows:

(1) The value of cash in hand and cash deposit, bills and drafts payable at sight and accounts receivable, prepaid expenses, and dividends and interest due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Company deems adequate to reflect the actual value of these assets;

(2) The value of shares or units in undertakings for collective investment shall be determined on the basis of the last net asset value available on the Valuation Day. If this price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner.

(3) The valuation of all securities listed on a stock exchange or any Other Regulated Market, which functions regularly, is recognised and accessible to the public, is based on the last known closing price on the Valuation Day, and, if the securities concerned are traded on several markets, on the basis of the last known closing price on the major market on which they are traded, or the relevant market as

used by the index provider, where applicable.

If the last known closing price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner.

(4) Unlisted securities or securities not traded on a stock exchange or another regulated market which functions in a regular manner, is recognised and accessible to the public, shall be valued on the basis of the probable sale price estimated in a prudent and bona fide manner by a qualified professional appointed for this purpose by the Board of Directors;

(5) Securities denominated in a currency other than the currency in which the sub-fund concerned is denominated shall be converted at the exchange rates relevant to each sub-fund prevailing on the Valuation Day;

(6) If permitted by market practice, liquid assets, Money Market Instruments and all other instruments may be valued at their nominal value plus accrued interest or according to the linear amortisation method. Any decision to value the assets in the portfolio using the linear amortisation method must be approved by the Board of Directors, which will record the reasons for such a decision. The Board of Directors will put in place appropriate checks and controls concerning the valuation of the instruments;

(7) The Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation principles after concertation with the different parties.

(8) IRS shall be valued on the basis of the difference between the value of all future interest payable by the Company to its counterparty on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments and the value of all future interest payable by the counterparty to the Company on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments;

(9) The internal valuation model for CDS utilises as inputs the CDS rate curve, the recovery rate and a discount rate ((€STR/SOFR or market swap rate) to calculate the mark-to-market. This internal model also produces the rate curve for default probabilities. To establish the CDS rate curve, data from a certain number of counterparties active in the CDS market are used. The manager uses the valuation of the counterparties' CDS to compare them with the values obtained from the internal model. The starting point for the construction of the internal model is parity between the variable portion and fixed portion of the CDS on signing the CDS.

(10) Since EDS are triggered by an event affecting a share, their valuation depends mainly on the volatility of the share and its asymmetrical position. The higher the volatility, the greater the risk that the share will reach the 70% threshold and therefore the greater the EDS spread. The spread of a company's CDS also reflects its volatility, since high volatility of the share indicates high volatility of the assets of the company in question and therefore a high probability of a credit event. Given that the spreads of both EDS and CDS are correlated with the implicit volatility of the shares, and that these relations have a tendency to remain stable over time, an EDS can be considered as a proxy for a CDS. The key point in the valuation of an EDS is to calculate the implicit probability of a share event. Two methods are generally accepted: the first consists of using the market spread of the CDS as input in a model to evaluate the EDS; the second uses historical data for the share in question to estimate the probability. Although historical data are not necessarily a proper guide as to what may happen in the future, such data can reflect the general behaviour of a share in crisis situation. In comparing the two approaches, it is very rare to see historic probabilities higher than the shares' implicit probabilities;

(11) The valuation of a CFD and TRS shall at any given time reflect the difference between the latest known price of the underlying stock and the valuation that was taken into account when the transaction was signed.

**COMPOSITION OF LIABILITIES**

The Company's liabilities primarily include:

1. all loans, matured bills and accounts payable;
2. all known liabilities, whether or not due, including all contractual obligations due and relating to payment in cash or kind, including the amount of dividends announced by the Company but yet to be paid;
3. all reserves, authorised or approved by the Board of Directors, including reserves set up in order to cover a potential capital loss on certain of the Company's investments;
4. any other undertakings given by the Company, except for those represented by the Company's equity. For the valuation of the amount of these liabilities, the Company shall take account of all the charges for which it is liable, including, without restriction, the costs of amendments to the Articles of Association, the Prospectus and any other document relating to the Company, management, advisory, charity, performance and Other Fees and extraordinary expenses, any taxes and duties payable to government departments and stock exchanges, the costs of financial charges, bank charges or brokerage incurred upon the purchase and sale of assets or otherwise. When assessing the amount of these liabilities, the Company shall take account of regular and periodic administrative and other expenses on a prorata temporis basis.

The assets, liabilities, expenses and fees not allocated to a sub-fund, category, or class shall be apportioned to the various sub-funds, categories, or classes in equal parts or, subject to the amounts involved justifying this, proportionally to their respective net assets. Each of the Company's shares which is in the process of being redeemed shall be considered as a share issued and existing until closure on the Valuation Day relating to the redemption of such share and its price shall be considered as a liability of the Company as from closing on the date in question until such time as the price has been duly paid. Each share to be issued by the Company in accordance with subscription applications received shall be considered as being an amount due to the Company until such time as it has been duly received by the Company. As far as possible, account shall be taken of any investment or divestment decided by the Company until the Valuation Day.

**SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES**

Without prejudice to legal causes for suspension, the Board of Directors may at any time temporarily suspend the calculation of the net asset value of shares of one or more sub-funds, as well as the issue, conversion and redemption in the following cases:

(1) during any period when one or more currency markets, or a stock exchange, which are the main markets or exchanges where a substantial portion of a sub-fund's investments at a given time are listed, is/are closed, except for normal closing days, or during which trading is subject to major restrictions or is suspended;

(2) when the political, economic, military, currency, social situation, or any event of *force majeure* beyond the responsibility or power of the Company makes it impossible to dispose of one assets by reasonable and normal means, without seriously harming the shareholders' interests;

(3) during any failure in the means of communication normally used to determine the price of any of the Company's investments or the going prices on a particular market or exchange;

(4) when restrictions on foreign exchange or transfer of capital prevents transactions from being carried out on behalf of the Company or when purchases or sales of the Company's assets cannot be carried out at normal exchange rates;

(5) as soon as a decision has been taken to either liquidate the Company or one or more sub-funds, categories or classes;

(6) to determine an exchange parity under a merger, partial business transfer, splitting or any restructuring operation within, by or in one or more sub-funds, categories, or classes;
(7) for a "Feeder" sub-fund, when the net asset value, issue, conversion, or redemption of units, or shares of the "Master" sub-fund are suspended;

any other cases when the Board of Directors estimates by a justified decision that such a suspension is necessary to safeguard the general interests of the shareholders concerned. For instance, the Board of Directors may decide to temporarily suspend the calculation of the Net Asset Value and the issue, conversion and redemption of shares in case of change of index replication method within a sub-fund, when this change may trigger costs, operational risks or risks linked to orders processing, settlement or to the deviation of the net asset value compared to the benchmark.

In the event the calculation of the net asset value is suspended, the Company shall immediately and in an appropriate manner inform the shareholders who requested the subscription, conversion or redemption of the shares of the sub-fund(s) in question.

In exceptional circumstances which could have a negative impact on shareholders' interests, or in the event of subscription, redemption or conversion applications exceeding 10% of a sub-funds' net assets, the Board of Directors reserves the right not to determine the value of a share until such time as the required purchases and sales of securities have been made on behalf of the sub-fund. In that event, subscription, redemption and conversion applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated.

Pending subscription, conversion and redemption applications may be withdrawn by written notification provided that such notification is received by the company prior to lifting of the suspension. Pending applications will be taken into account on the first calculation date following lifting of the suspension. If all pending applications cannot be processed on the same calculation date, the earliest applications shall take precedence over more recent applications.

**SWING PRICING**

A sub-fund may suffer reduction of the net asset value due to investors purchasing, selling and/or switching in and out of the sub-fund at a price that does not reflect the dealing costs associated with this sub-fund's portfolio trades undertaken by the Investment Manager to accommodate such cash inflows or outflows. In order to mitigate this effect and enhance the protection of existing shareholders, the mechanism known as "swing pricing" may be applied at the discretion of the Board of Directors of the Management Company.

Such swing pricing mechanism may be applied to a given sub-fund when its total capital activity (i.e. net amount of subscriptions and redemptions) exceeds a pre-determined threshold determined as a percentage of the net assets value for a given valuation day. The net asset value of the relevant sub-fund may then be adjusted by an amount (the "swing factor") to compensate for the expected transaction costs resulting from the capital activity. The level of thresholds, if and when applicable, will be decided on the basis of certain parameters which may include the size of the sub-fund, the liquidity of the underlying market in which the respective sub-fund invests, the cash management of the respective sub-fund or the type of instruments that are used to manage the capital activity. The swing factor is, amongst others, based on the estimated transaction costs of the financial instruments in which the respective sub-fund may invest. Typically, such adjustment will increase the net asset value when there are net subscriptions into the sub-fund and decrease the net asset value when there are net redemptions. Swing pricing does not address the specific circumstances of each individual investor transaction. An ad hoc internal committee is in charge of the implementation and periodic review of the operational decisions associated with swing pricing. This committee is responsible for decisions relating to swing pricing and the ongoing approval of swing factors which form the basis of pre-determined standing instructions.

In principle, the swing factor will not exceed 1% of the respective sub-fund's net asset value. Such limit may however, on a temporary basis and to protect interests of the shareholders, be raised beyond this maximum level when facing exceptional market conditions. Situations such as a global pandemic, a financial crisis, a geopolitical crisis, or any other exceptional event causing a severe deterioration of the liquidity.

The swing pricing mechanism may be applied across all sub-funds of the Company. In the event that, in addition to the swing pricing mechanism, another anti-dilution mechanism is available for a given sub-fund as decided by the Board of Directors of the Management Company, such mechanisms shall not be cumulatively applied. On certain unit classes, the Management Company may be entitled to a performance fee. Where applicable, this will be based on the unswung net asset value.

## TAX PROVISIONS

**TAXATION OF THE FUND**

At the date of the Prospectus, the Company is not liable to any Luxembourg income tax or capital gains tax.

The Company is liable to an annual *taxe d'abonnement* in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

a) sub-funds with the exclusive objective of collective investments in Money Market Instruments and deposits with credit institutions;

b) sub-funds with the exclusive objective of collective investments with credit institutions;

c) sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this *taxe d'abonnement*:

a) the value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the taxe d'abonnement;

b) sub-funds, categories and/or classes:
   (i) whose securities are reserved to Institutional Investors, Managers, or UCIs and
   (ii) whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions, and
   (iii) whose weighted residual portfolio maturity does not exceed 90 days, and
   (iv) that have obtained the highest possible rating from a recognised rating agency;

c) sub-funds, categories and/or classes reserved to:
   (i) institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
   (ii) companies having one or more employers investing funds to provide pension benefits to their employees;

d) sub-funds whose main objective is investment in microfinance institutions;

e) sub-funds, categories and/or classes:
   (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
   (ii) whose exclusive object is to replicate the performance of one or several indices.

   If several classes of securities exist within the sub-fund, the exemption only applies to classes fulfilling the condition of sub-point (i).

management

(f) sub-funds whose shares are traded throughout the day on at least one regulated market or on a multilateral trading facility and of which at least one market maker intervenes to ensure that the price of their units or shares does not vary significantly from their net asset value and, where applicable, from their indicative net asset value.

   Where several classes of shares exist within the sub-fund, the exemption shall only apply to classes of shares fulfilling the conditions set out in point f.

When due, the *taxe d'abonnement* is payable quarterly based on the relevant net assets and calculated at the end of the quarter for which it is applicable.

In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

**TAXATION OF THE FUND'S INVESTMENTS**

Some of the Company's portfolio income, especially income in dividends and interest, as well as certain capital gains, may be subject to tax at various rates and of different types in the countries in which they are generated. This income and capital gains may also be subject to withholding tax. Under certain circumstances, the Company may not be eligible for the international agreements preventing double taxation that exist between the Grand Duchy of Luxembourg and other countries. Some countries will only consider that persons taxable in Luxembourg qualify under these agreements.

**TAXATION OF SHAREHOLDERS**

- Residents of the Grand Duchy of Luxembourg

On the date of the Prospectus, the dividends earned and capital gains made on the sale of shares by residents of the Grand Duchy of Luxembourg are not subject to withholding tax.

Dividends are subject to income tax at the personal tax rate.

Capital gains made on the sale of shares are not subject to income tax if the shares are held for a period of over six months, except in the case of resident shareholders holding over 10% of the shares of the Company.

- Non-residents

In principle, according to current law:

- the dividends earned and the capital gains made on the sale of shares by non-residents are not subject to Luxembourg withholding tax;
- the capital gains made by non-residents on the sale of shares are not subject to Luxembourg income tax.

Nevertheless, if there is a dual tax convention between the Grand Duchy and the shareholder's country of residence, the capital gains made on the sale of shares are tax-exempt in principle in Luxembourg, with the taxation authority being attributed to the shareholder's country of residence.

**EXCHANGE OF INFORMATION**

- Residents of another member state of the European Union, including the French overseas departments, the Azores, Madeira, the Canary Islands, the Åland Islands and Gibraltar.

Any individual who receives dividends from the Company or the proceeds from the sale of shares in the Company through a paying agent based in a state other than the one in which he resides is advised to seek information on the legal and regulatory provisions applicable to him.

In most countries covered by Directive 2011/16 and 2014/107, the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refunding or redemption of shares in the Company will be reported to the tax authorities in the state of residence of the beneficial owner of the income.

- Residents of third countries or territories

No withholding tax is levied on interest paid to residents of third countries or territories.

Nevertheless, in the framework of Automatic Exchange of Information package (AEOI) covering fiscal matters elaborated by OECD, the Company may need to collect and disclose information about its shareholder to third parties, including the tax authorities of the participating country in which the beneficiary is tax resident, for the purpose of onward transmission to the relevant jurisdictions. The data of financial and personal information as defined by this regulation which will be disclosed may include (but is not limited to) the identity of the shareholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A shareholder will therefore be required to comply with any reasonable request from the Company for such information, to allow the Company to comply with its reporting requirements. The list of AEOI participating countries is available on the website http://www.oecd.org/tax/automatic-exchange/

- US Tax

Under the Foreign Account Tax Compliance Act ("FATCA") provisions which entered into force as from 1st July 2014, in the case the Company invests directly or indirectly in US assets, income received from such US investments might be subject to a 30% US withholding tax.

To avoid such withholding tax the Grand Duchy of Luxembourg has entered, on 28th March 2014, into an intergovernmental agreement (the "IGA") with the United States under which the Luxembourg financial institutions have to undertake due diligence to report certain information on their U.S. investors to the Luxembourg Tax authorities. Such information will be onward reported by the Luxembourg tax authorities to the U.S. Internal Revenue Service ("IRS").

**The foregoing provisions are based on the Law and practices currently in force, and might be subject to change. Potential investors are advised to seek information in their country of origin, place of tax residence or domicile on the possible tax consequences associated with their investment. The attention of investors is also drawn to certain tax provisions specific to several countries in which the Company publicly trades its shares.**

**GENERAL SHAREHOLDERS' MEETINGS**

The Annual General Shareholders' Meeting is normally held at 2.30 pm CET on April 26 at the Company's registered office or any other location in the Grand Duchy of Luxembourg specified in the notice to attend the meeting. If that day is not a business day in Luxembourg, the Annual General Meeting will be held on the following bank business day. Other General Meetings may be convened in accordance with the prescriptions of Luxembourg law and the Company's Articles of Association.

Notices inviting shareholders to attend General Meetings will be published according to the forms and times prescribed in Luxembourg law and the Company's Articles of Association, and at least with a 14 days prior notice.

Similarly, General Meetings will be conducted as prescribed by Luxembourg law and the Company's Articles of Association.

Every share, irrespective of its unit value, entitles its holder to one vote. All shares have equal weight in decisions taken at the General Meeting when decisions concern the Company as a whole. When decisions concern the specific rights of shareholders of one sub-fund, category, or class, only the holders of shares of that sub-fund, category, or class may vote.

**INFORMATION FOR SHAREHOLDERS**

***Net Asset Values and Dividends***

The Company publishes the legally required information in the Grand Duchy of Luxembourg and in all other countries where the shares are publicly offered.

This information is also available on the website: www.bnpparibas-am.com.

***Financial Year***

The Company's financial year starts on 1st January and ends on 31st December.

***Financial Reports***

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors, as well as a non-certified, semi-annual interim report closed on the last day of the sixth month of the financial year. The Company is authorised to publish a simplified version of the financial report when required.

The financial reports of each sub-fund are published in the Accounting Currency of the sub-fund, although the consolidated accounts of the Company are expressed in euro.

The annual report is made public within four months of the end of the financial year and the interim report within two months of the end of the half-year.

The financial reports of the Company will be prepared in accordance with Luxembourg GAAP*.

* *Luxembourg GAAP is a combination of authoritative standards and the commonly accepted ways of recording and reporting accounting information. GAAP aims to improve the clarity, consistency, and comparability of the communication of financial information*.

***Documents for Consultation***

The Articles of Association, the Prospectus, the KIDs, and periodic reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual and interim reports are available upon request.

Except for the newspaper publications required by Law, the official media to obtain any notice to shareholders from the Company will be the website www.bnpparibas-am.com.
Documents and information are also available on the website: www.bnpparibas-am.com.

***Replacement of a Benchmark Index***

The Board of Directors is authorised to replace a Benchmark Index with a new index representative of the relevant market sector and to change a sub-fund's name accordingly, particularly in the following circumstances:

- the index is no longer calculated.
- the former index is replaced by a new index.
- a new index, more representative of the relevant market, is calculated.
- investment in the components making up the index has become more difficult.
- the index licence agreement is terminated (e.g. further to an increase in licence costs the Board of Directors decides not to accept).
- calculation of the index and/or publication of information by the agent calculating the index no longer matches the required high level of quality.
- the techniques and instruments required to implement the investment policy are no longer available.

Any change in a Benchmark Index will be made in accordance with the applicable regulations. It will be made publicly available in each country where the sub-fund is distributed. In such an event, the Prospectus will be amended accordingly.

## APPENDIX 1 – INVESTMENT RESTRICTIONS

**ELIGIBLE ASSETS**

**i. Transferable securities**

Transferable securities must be listed or traded on an official stock exchange or on a regulated market (a market that operated regularly, is recognised and is open to the public) in an eligible state (i.e. a Member State or a Third Country).
Recently issued transferable securities must include in their terms of issue an undertaking that an application will be made for admission to official listing on a regulated market and such admission must be secured within a year of issue.

**ii. Money market instruments**

A money market instrument shall fall within one of the categories below:

1. it is listed or traded on an official stock exchange, or on a regulated market (a market that operated regularly, is recognised and is open to the public) in an eligible state (i.e. a Member State or a Third Country);
2. it does not meet the requirements of point (a) but it is subject (at the securities or issuer level) to regulation aimed at protecting investors and savings, provided that it is:

   issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or a member of a federation; or

   issued by an undertaking any securities of which are dealt in on regulated markets referred to in point (a);or

   issued or guaranteed by an establishment subject to, and which complies with European Union prudential supervision rules or others rules at least considered to be stringent; or

   issued by other bodies belonging to the categories approved by the CSSF provided that the investments in such instruments are subject to investor protection equivalent to that laid down in points (i), (ii) or (iii) above, and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 000 000 and which presents and publishes its annual accounts in accordance with the Directive 78/660, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

**iii. Units or Shares of UCITS or other UCIs**

A sub-fund may invest in units or shares of UCITS and/or other UCIs, whether or not established in a Member State, provided that:

i. such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU legislation, and that cooperation between authorities is sufficiently ensured;
ii. the level of protection to unitholders or shareholders in these other UCIs is equivalent to that provided for unitholders or shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65;
iii. the business of these other UCIs is reported in semi-annual interim and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; and
iv. no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated can, according to their management regulations or articles of association, be invested in aggregate in units or shares of other UCITS or other UCIs.

**iv. Shares of other sub-funds of the Company**

A sub-fund may acquire shares of one or more other sub-funds of the Company (the target sub-fund), provided that:

- the target sub-fund does not, in turn, invest in the sub-fund;
- the proportion of assets that each target sub-fund invests in other target sub-funds of the Company does not exceed 10%;
- any voting rights attached to the shares of the target sub-funds are suspended for as long as they are held by the sub-fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any events, for as long as these target sub-fund shares are held by the Company, their value shall not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of net assets required by the law.

**v. Deposits with credit institutions**

A deposit with a credit institution is eligible for investment by a sub-fund provided that all of the following conditions are fulfilled:

– The deposit is repayable on demand or is able to be withdrawn at any time;
– The deposit matures in no more than 12 months;
– The credit institution has its registered office in a Member State or, where the credit institution has its registered office in a Third Country, it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU legislation.

**vi. Financial derivatives instruments**

Financial derivative instruments, including equivalent cash-settled instruments, must be dealt in on a regulated market referred to in point 1 above or financial derivative instruments dealt in over-the-counter (OTC) derivatives, provided that:

(1) The underlying of the derivative consists of instruments covered by points 1, 2, 3 and 6 above, financial indices, interest rates, foreign exchange rates or currencies, in which the corresponding sub-fund may invest according to its investment objectives as stated in the Company's Articles of Association;
(2) The counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF, and
(3) The OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

**vii. Ancillary Liquid Assets**

Each sub-fund may hold ancillary liquid assets limited to bank deposits at sight (other than those mentioned on above point 5), such as cash held in current accounts with a bank accessible at any time, in order to:

1) cover current or exceptional payments, or
2) for the time necessary to reinvest in eligible assets foreseen in its investment policy, or

3) for a period of time strictly necessary in case of unfavourable market conditions.

Such holding is limited to 20% of the net assets of the sub-fund.

This 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors, for instance in highly serious circumstances.

**viii. Movable and immovable properties**

The Company may acquire movable or immovable property which is essential for the direct pursuit of its business.

**ix. Borrowing**

A sub-fund may acquire currencies by means of "back-to-back" loans.

A sub-fund may borrow provided that such borrowing:

a) is made on a temporary basis and represents no more than 10% of its assets;

b) allows the acquisition of immovable property essential for the direct pursuit of its business and represents no more than 10% of its assets.

Such borrowing shall not exceed 15% of its assets in total.

**PROHIBITED ACTIVITIES**

A sub-fund shall not:

(1) Acquire either precious metals or certificates representing them;

(2) Grant loans or act as a guarantor on behalf of third parties; this shall not prevent a sub-fund from acquiring transferable securities, money market instruments or other financial instruments referred to as Eligible Assets which are not fully paid;

(3) Carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to as Eligible Assets.

**DIVERSIFICATION RULES**

The sub-funds are not required to comply with the limits laid down in this Appendix when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

While ensuring observance of the principle of risk spreading, recently authorised sub-funds are allowed to derogate from Diversification Rules below for six months following the date of their authorisation.

If these limits are exceeded for reasons beyond the control of the sub-fund or as a result of the exercise of subscription rights, the sub-fund shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

A sub-fund may, in compliance with the applicable limits laid down in this Appendix and in the best interest of the shareholders, temporarily adopt a more defensive attitude by holding more liquid assets in the portfolio. This could be as a result of the prevailing market conditions or on account of liquidation or merger events or when the sub-fund approached maturity. In such circumstances, the sub-fund concerned may prove to be incapable in the interest the shareholders of pursuing its investment objective as a temporary measure, which may affect its performance.

1. A sub-fund shall not invest more than 10% of its assets in transferable securities, or money market instruments other than those referred to as Eligible Assets.

2.

a) A sub-fund shall invest no more than:
   (1) 10% of its assets in transferable securities or money market instruments issued by the same body; or
   (2) 20% of its assets in deposits made with the same body.
   The risk exposure to a counterparty of a sub-fund in an OTC derivative transaction shall not exceed either:
   (1) 10% of its assets when the counterparty is a credit institution referred to in point 5 of Eligible Assets; or
   (2) 5% of its assets, in other cases.

b) The total value of the transferable securities and the money market instruments held by a sub-fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets. That limitation shall not apply to deposits or OTC derivative transactions made with financial institutions subject to prudential supervision.
   Notwithstanding the individual limits laid down in paragraph a), a sub-fund shall not combine, where this would lead to investment of more than 20% of its assets in a single body, any of the following:
   (1) investments in transferable securities or money market instruments issued by that body;
   (2) deposits made with that body; or
   (3) exposure arising from OTC derivative transactions undertaken with that body.

c) The 10% limit laid down in paragraph a) point (i) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a Third Country or by public international body to which one or more Member States belong.

d) The 10% limit laid down in the paragraph a) point (i) may be raised to a maximum of 25% for covered bonds as defined under article 3 point 1 of the Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/UE (hereinafter "directive (EU) 2019/2162") and for certain bonds issued prior to 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds issued prior to 8 July 2022 shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
   Where a sub-fund invests more than 5% of its assets in the bonds referred to in this paragraph d) which are issued by a single issuer, the total value of these investments shall not exceed 80% of the value of the assets of the sub-fund.

e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph b).

The limits provided for in paragraph a), b), c) and d) shall not be combined, and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with paragraph a), b), c) and d) shall not exceed in total 35% of the assets of the sub-fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 2013/34 or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits contained in this section.

A sub-fund may cumulatively invest in transferable securities and money market instruments within the same group up to 20% of its assets.

3. Without prejudice to the Limits to Prevent Concentration of Ownership below., the limits laid down in point 2. are raised to a maximum of 20% for investments in shares or debt securities issued by the same body, when the aim of the sub-fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:
   1. its composition is sufficiently diversified;
   2. the index represents an adequate benchmark for the market to which it refers; and
   3. it is published in an appropriate manner.

   This limit of 20% shall be raised to a maximum of 35% where that proves to be justified by exceptional market conditions (such as, but not limited to, disruptive market conditions or extremely volatile markets) in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to that limit shall be permitted only for a single issuer.

4. **As an exception to point 2., in accordance with the principle of risk-spreading, a sub-fund shall invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a Third Country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore and South Africa, or a public international body to which one or more Member States belong.**

   **Such a sub-fund shall hold securities from at least six different issues, but securities from any single issue shall not account for more than 30% of its total assets.**

5.
   a) A sub-fund may acquire the units or shares of UCITS or other UCIs referred to as Eligible Assets, provided that no more than 20% of its assets are invested in units or shares of a single UCITS or other UCI. For the purposes of the application of this investment limit, each sub-fund in a multi-sub-fund UCI, is considered as a separate issuer, provided that the principle of segregation of the commitments of the different sub-funds with regard to third parties is assured.
   b) Investments made in units or shares of UCIs other than UCITS shall not exceed, in aggregate, 30% of the assets of a sub-fund. Where a sub-fund has acquired units or shares of another UCITS or UCIs, the assets of the respective UCITS or other UCIs are not combined for the purposes of the limits laid down in point 2.
   c) Due to the fact that the Company may invest in UCI units, or shares, the investor is exposed to a risk of fees doubling (for example, the management fees of the UCI in which the Company is invested).

      A sub-fund may not invest in a UCITS, or other UCI (underlying), with a management fee exceeding 3% per annum.

      Where a sub-fund invests in the units or shares of other UCITS or UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the sub-fund will not incur any entry or exit costs for the units or shares of these underlying assets.

      The maximum annual management fee payable directly by the sub-fund is defined in Book II.

**LIMIT TO PREVENT CONCENTRATION OF OWNERSHIP**

(1) The Company shall not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

(2) A sub-fund may acquire no more than:
   (1) 10% of the non-voting shares of a single issuing body;
   (2) 10% of debt securities of a single issuing body;
   (3) 25% of the units or shares of a UCITS or UCI (umbrella level); or
   (4) 10% of the money market instruments of a single issuing body.

   The limits laid down in points ii., iii. and iv. may be disregarded at the time of acquisition if, at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue, cannot be calculated.

(3) Points 1. and 2. above do not apply with regard to:
   - transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
   - transferable securities and money market instruments issued or guaranteed by a country which is not a European Union Member State ;
   - transferable securities and money market instruments issued by a public international body to which one or more European Union Member States belong;

shares held by the Company in the capital of a company incorporated in a Third Country investing its assets mainly in the securities of issuing bodies having their registered offices in that country, where under the legislation of that country, such a holding represents the only way in which the Company can invest in the securities of issuing of that country. This derogation shall apply only if in its investment policy the company from the Third Country complies with the limits laid down in Diversification Rules (points 2 and 5) and Limits To Prevent Concentration of Ownership (points 1 and 2).

**ADDITIONAL RESTRICTIONS IMPOSED BY SPECIFIC JURISDICTIONS**

Any sub-fund registered in multiple jurisdictions will comply with the restrictions for all jurisdictions where it is registered.

**1. France**

Following sub-funds are compliant with the French Plan d'Epargne en Actions (PEA), as at all times, they invest at least 75% of their assets in equities issued by companies that have their registered office in a member country of the EEA, other than non-cooperative countries in the fight against fraud and tax evasion, as well as in UCI eligible to the PEA:

| Sub-fund |
|---|
| Dividend Europe |
| ESG Eurozone Biodiversity Leaders PAB |
| ESG Enhanced EMU |
| Low Vol Europe |
| MSCI EMU |
| MSCI EMU Min TE |
| MSCI EMU SRI PAB |
| Quality Europe |
| Value Europe |
| Bloomberg Europe Defense |

**2. Germany**

The sub-funds listed in the table below comply with the minimum requirements investment level in Equity set out under both the German Investment Tax Act (within the meaning as an equity fund) and the German Saving Plan.

| Sub-fund |
|---|
| Alpha Enhanced Europe |
| Bloomberg Europe Defense |
| Dividend Europe |
| ECPI Circular Economy Leaders |
| ECPI Global ESG Blue Economy |
| ECPI Global ESG Hydrogen Economy |
| Energy & Metals Enhanced Roll |
| ESG Enhanced EMU |
| ESG Enhanced Europe |
| ESG Eurozone Biodiversity Leaders PAB |
| EUR Overnight |
| Low Carbon 100 Europe PAB |
| Low Carbon 300 World PAB |
| Low Vol Europe |
| MSCI ACWI |
| MSCI China Min TE |
| MSCI Emerging |
| MSCI Emerging ex China |
| MSCI Emerging Min TE |
| MSCI Emerging SRI PAB |
| MSCI EMU |
| MSCI EMU Min TE |
| MSCI EMU SRI PAB |
| MSCI Europe |
| MSCI Europe Min TE |
| MSCI Europe Small Caps SRI PAB |
| MSCI Europe SRI PAB |
| MSCI Japan |
| MSCI Japan Min TE |
| MSCI Japan SRI PAB |
| MSCI Pacific ex Japan Min TE |
| MSCI USA Min TE |
| MSCI USA SRI PAB |
| MSCI World SRI PAB |
| Quality Europe |
| S&P 500 II |
| Value Europe |

In the context of the German Investment Tax Act, “Equity” does not include: derivative swap, Equity equivalent security, partnership, REIT, right, units/shares of a non-equity target fund.

**FINANCIAL DERIVATIVE INSTRUMENTS**

(i) **General Information**

Without prejudice to any stipulations for one or more particular sub-funds, the Company is authorised, for each sub-fund and in conformity with the conditions set out below, to use financial derivative instruments, for hedging, efficient portfolio management or trading (investment) purposes, in accordance with point 6 of the section Eligible Assets of the Appendix 1 of the Prospectus (the "Appendix 1").

Each sub-fund may, in the context of its investment policy and within the limits defined in the Appendix 1, invest in financial derivative instruments provided that the total risk to which the underlying assets are exposed does not exceed the investment limits stipulated in the section Diversification Rules of the Appendix 1. When a sub-fund invests in financial derivative instruments based on an index, these investments are not necessarily combined with the limits stipulated in the section Diversification Rules of the Appendix 1.

When a transferable security or a money market instrument comprises a derivative instrument, the derivative instrument must be taken into account for the application of the present provisions.

**Calculation of counterparty risk linked to OTC derivative instruments**

In conformity with the section Diversification Rules of the Appendix 1, the counterparty risk linked to OTC derivatives and efficient portfolio management techniques concluded by a sub-fund may not exceed 10% of its assets when the counterparty is a credit institution cited in point 5 of the section Eligible Assets of the Appendix 1, or 5% of its assets in other cases.

The counterparty risk linked to OTC financial derivatives shall be based, as the positive mark to market value of the contract.

**Valuation of OTC derivatives**

The Management Company will establish, document, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of OTC derivatives.

**Efficient Portfolio Management techniques**

A sub-fund can use financial derivative instruments and Securities Financing Transactions for efficient portfolio management purpose provided that:

(a) They are economically appropriate in that they are realised in a cost-effective way;

(b) They are entered into for one or more of the following specific aims:

  (i) reduction of risk;

  (ii) reduction of cost;

  (iii) generation of additional capital or income for a sub-fund with a level of risk which is consistent with the risk profile of the sub-fund and the section Diversification Rules of the Appendix 1;

(c) Their risks are adequately captured by the risk management process of the sub-fund.

Efficient portfolio management shall not:

a) result in a change of the investment objective of the concerned sub-fund; or

b) add substantial additional risks in comparison to the original risk policy of the sub-fund.

Direct and indirect operational costs/fees arising from efficient portfolio management techniques may be deducted from the revenue delivered to the concerned sub-funds. These costs and fees will not include hidden revenues.

The following information is disclosed in the annual report of the Company:

a) the exposure of each sub-fund obtained through efficient portfolio management techniques;

b) the identity of the counterparty(ies) to these efficient portfolio management techniques;

c) the type and amount of collateral received by the sub-funds to reduce counterparty exposure; and

d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

**Types of Financial Derivative Instruments**

In compliance with its investment policy as detailed in Book II, a sub-fund may use a range of core derivatives and/or additional derivatives as described below.

**i. Core Derivatives**

A sub-fund may use a range of core derivatives such as:

a) Foreign exchange contracts, such as foreign exchange swaps or forwards;

b) Interest Rate Swaps – IRS;

c) Financial Futures (on equities, interest rates, indices, bonds, currencies, commodity indices, or volatility indices);

d) Options (on equities, interest rates, indices, bonds, currencies, or commodity indices).

**ii. Additional Derivatives**

A sub-fund may use a range of additional derivatives such as:

i. Credit Default Swap - CDS (on Bonds, indices...), in order to express views on changes in perceived or actual creditworthiness of borrowers including companies, agencies, and governments, and the hedging of those risks;

ii. Total Return Swaps - TRS (as defined in point 3 below);

iii. All other Swaps: Equity Basket Swaps, Commodity Index Swaps, variance and volatility swaps, inflation swaps;

iv. Equity Linked Notes – ELN;

v. Contract For Difference – CFD;

vi. Warrants;

vii. Swaptions;

viii. structured financial derivatives, such as credit-linked and equity-linked securities;

ix. To-be-announced (TBA).

**Usage of Financial Derivative Instruments**

A sub-fund may have recourse to derivatives as described below:

**i. Hedging**

Hedging aims at reducing such as but not limited to the credit risks, currency risks, market risks, interest rate (duration) risks, Inflation risks.

Hedging occurs at a portfolio level or, in respect of currency, at share class level.

**ii. Efficient Portfolio Management (EPM)**

Efficient portfolio management aims at using derivatives instead of a direct investment when derivatives are a cost effective way, the quickest way or the only authorised way to get exposure to a particular market, a particular security or an acceptable proxy to perform any ex-post exposure adjustment to a particular markets, sectors or currencies, managing duration, yield curve exposure or credit spread volatility in order to reach the investment objective of the sub-fund.

**iii. Investment**

Investment purpose aims at using derivatives such as but not limited to enhance returns for the sub-fund, gaining on a particular markets, sectors or currencies and/or implementing investment strategies that can only be achieved through derivatives, such as a "long-short" strategy.

The table below sets out the main types of derivatives used for each sub-fund and what they are used for:

| Sub-funds | Structural use of derivative | VaR | Core | Additional Derivatives | | | | | | | Purpose of derivatives | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | TRS | CDS | Other Swaps | Swaption | Warrant | CFD | others | hedging | EPM | investment |
| BNP Paribas Easy EUR Corp Bond SRI PAB 7-10Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy EUR Corp Bond SRI PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy EUR Corp Bond SRI PAB 1-3Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy EUR Corp Bond SRI PAB 3-5Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy EUR Overnight | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy ECPI Circular Economy Leaders | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Global Corp Bond | | | X | | | | | | | | X | X | |
| BNP Paribas Easy ECPI Global ESG Blue Economy | | | X | | | | | | | | X | X | |
| BNP Paribas Easy ECPI Global ESG Hydrogen Economy | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Energy & Metals Enhanced Roll | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy Dividend Europe | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy ESG Eurozone Biodiversity Leaders PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Low Vol Europe | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy FTSE EPRA/Nareit Eurozone Capped | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Quality Europe | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy Value Europe | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy Bloomberg Europe Defense | | | X | | | | | | | | X | X | |
| BNP Paribas Easy FTSE EPRA Nareit Developed Europe Green CTB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy JPM Screened EMBI Global Diversified Composite | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Alpha Enhanced EUR Corp Bond | X | | X | | X | | | | | | X | X | |
| BNP Paribas Easy Alpha Enhanced Europe | X | | X | | | | | | | | X | X | |
| BNP Paribas Easy Alpha Enhanced Global High Yield | X | | X | | X | | | | | | X | X | |
| BNP Paribas Easy Alpha Enhanced USD Corp Bond | X | | X | | X | | | | | | X | X | |
| BNP Paribas Easy Bloomberg US Treasury | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Bloomberg US Treasury 1-3Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Bloomberg US Treasury 3-7Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Bloomberg US Treasury 7-10Y | | | X | | | | | | | | X | X | |
| BNP Paribas ESG Enhanced EMU | | | X | | | | | | | | X | X | |
| BNP Paribas Easy JPM Tilted EMU Government Bond IG | | | X | | | | | | | | X | X | |

| Sub-funds | Structural use of derivative | VaR | Core | Additional Derivatives | | | | | | | Purpose of derivatives | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | TRS | CDS | Other Swaps | Swaption | Warrant | CFD | others | hedging | EPM | investment |
| BNP Paribas Easy JPM Tilted EMU Government Bond IG 1-3Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy JPM Tilted EMU Government Bond IG 3-5Y | | | X | | | | | | | | X | X | |
| BNP Paribas Easy JPM Tilted EMU Government Bond IG 10Y+ | | | X | | | | | | | | X | X | |
| BNP Paribas Easy JPM Screened Green Social & Sustainability IG EUR Bond | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Low Carbon 100 Europe PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy Low Carbon 300 World PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI ACWI | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy MSCI China Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI China | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy MSCI Emerging | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy MSCI Emerging ex China | X | | X | X | | | | | | | X | X | X |
| BNP Paribas Easy MSCI Emerging Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI Emerging SRI PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI EMU Min TE | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI EMU | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI EMU SRI PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI Europe | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI Europe Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI Europe Small Caps SRI PAB | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI Europe SRI PAB | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI Japan | | | X | | | | | | | | X | X | |
| BNP Paribas Easy MSCI Japan Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI Japan SRI PAB | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI USA Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI Pacific ex Japan Min TE | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI USA SRI PAB | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy MSCI World SRI PAB | | | X | X | | | | | | | X | X | |
| BNP Paribas Easy ESG Enhanced EUR Corp Bond | | | X | | | | | | | | X | X | |
| BNP Paribas Easy ESG Enhanced EUR Government Bond | | | X | | | | | | | | X | X | |
| BNP Paribas Easy ESG Enhanced Europe | | | X | | | | | | | | X | X | |
| BNP Paribas Easy S&P 500 II | X | | X | X | | | | | | | X | X | X |

**(ii) Global Exposure**

*Determination of global exposure*

According to the Circular 11/512, the Management Company must calculate the sub-fund's global exposure at least once a day. The limits on global exposure must be complied with on an ongoing basis.

It is the responsibility of the Management Company to select an appropriate methodology to calculate the global exposure. More specifically, the selection should be based on the self-assessment by the Management Company of the sub-fund's risk profile resulting from its investment policy (including its use of financial derivative instruments).

*Risk measurement methodology according to the sub-fund's risk profile*

The sub-funds are classified after a self-assessment of their risk profile resulting from their investments policy including their inherent derivative investment strategy that determines two risk measurements methodologies:

- The advanced risk measurement methodology such as the Value-at-Risk (VaR) approach to calculate global exposure where:
  (a) The sub-fund engages in complex investment strategies which represent more than a negligible part of the sub-funds' investment policy;
  (b) The sub-fund has more than a negligible exposure to exotic financial derivative instruments; or
  (c) The commitment approach doesn't adequately capture the market risk of the portfolio.
- The commitment approach methodology to calculate the global exposure should be used in every other case.

**There are currently no sub-funds under VaR. All the existing sub-funds use the commitment approach methodology.**

**2.1. Commitment approach methodology**

- The commitment conversion methodology for **standard derivatives** is always the market value of the equivalent position in the underlying asset. This may be replaced by the notional value or the price of the futures contract where this is more conservative.
- For **non-standard derivatives**, an alternative approach may be used provided that the total amount of the financial derivative instruments represents a negligible portion of the sub-fund's portfolio;
- For **structured sub-funds**, the calculation method is described in the ESMA/2011/112 guidelines.

A financial derivative instrument is not taken into account when calculating the commitment if it meets both of the following conditions:

(a) The combined holding by the sub-fund of a financial derivative instrument relating to a financial asset and cash which is invested in risk free assets is equivalent to holding a cash position in the given financial asset.

(b) The financial derivative instrument is not considered to generate any incremental exposure and leverage or market risk.

The sub-fund's total commitment to financial derivative instruments, limited to 100% of the portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after possible netting and hedging arrangements.

**2.2. VaR (Value at Risk) methodology**

The global exposure is determined on a daily basis by calculating, the maximum potential loss at a given confidence level over a specific time period under normal market conditions.

Given the sub-fund's risk profile and investment strategy, the **relative VaR approach** or the **absolute VaR approach** can be used:

- In the **relative VaR approach**, a leverage free reference portfolio reflecting the investment strategy is defined and the sub-fund's VaR cannot be greater than twice the reference portfolio VaR.
- The **absolute VaR approach** concerns sub-funds investing in multi-asset classes and that do not define any investment target in relation to a benchmark but rather as an absolute return target; the level of the absolute VaR is strictly limited to 20%.

The **VaR limits** should always be set according to the defined risk profile.

To calculate VaR, the following parameters must be used: a 99% degree of confidence, a holding period of one month (20 days), an actual (historical) observation period for risk factors of at least 1 year (250 days)

The Management Company carries out a monthly **back testing** program and reports on a quarterly basis the excessive number of outlier to the senior management.

The Management Company calculates **stress tests** on a monthly basis in order to facilitate the management of risks associated with possible abnormal movements of the market.

**2.3. Global Exposure for Feeder sub-funds**

The global exposure of a Feeder sub-fund will be calculated by combining its own exposure through financial derivative instruments, with either:

a) the Master actual exposure through financial derivative instruments in proportion to the Feeder investment into the Master; or

b) the Master potential maximal global exposure related to financial derivative instruments as defined by the Master' management rules, or Articles of Association in proportion to the Feeder investment into the Master.

**(iii) <u>TRS</u>**

TRS can be used on a continuous basis, for hedging, efficient portfolio management and/or investment purposes, as described in Book II.

When a sub-fund enters into a TRS or invests in other financial derivative instruments with similar characteristics, its assets will also comply with the provisions of the Appendix 1. The underlying exposures of the TRS or other financial derivative instruments with similar characteristics shall be taken into accounts to calculate the diversification rules laid down in the Appendix 1.

When a sub-fund enters into or invests in financial derivative instruments with similar characteristics, the underlying strategy and composition of the investment portfolio or index are described in Book II, and the following information will be disclosed in the annual report of the Company:

a) The identification of the counterparty(ies) of the transactions;

b) The underlying exposure obtained through financial derivative instruments;

c) The type and amount of collateral received by the sub-funds to reduce counterparty exposure.

The counterparty does not assume any discretion over the composition or management of the sub-funds' investment portfolio or over the underlying of the financial derivative instruments, and its approval is not required in relation to any sub-fund investment portfolio transaction.

*Policy on sharing of return generated by TRS*

The return of the swap transaction, being the spread between the two legs of the transaction, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to the swap transaction charged to the sub-fund that would constitute revenue for the Management Company or another party.

*Voting rights and synthetic replication method*

For sub-funds applying a synthetic replication method, the voting rights attached to the composition of the index synthetically replicated will not be exercised by the counterparty(ies) of the TRS used to achieve exposure to such index, unless otherwise specified in Book II.

*List of sub-funds using TRS*

The sub-funds that may use TRS, the conditions under which these TRS may be used, their purposes, as well as the expected and maximum proportion of assets that can be subject to them, are:

| Sub-funds | TRS / NAV | | | |
|---|---|---|---|---|
| | Expected[2] | Maximum | Type of TRS | Reason of use |
| BNP Paribas Easy Energy & Metals Enhanced Roll | 200% | 230% | unfunded | Investment purpose / EPM / currency hedging |
| BNP Paribas Easy EUR Overnight | 100% | 120% | unfunded | Investment purpose / EPM / currency hedging |
| BNP Paribas Easy Dividend Europe | 200% | 230% | unfunded | Investment purpose / EPM |
| BNP Paribas Easy Low Vol Europe | 200% | 230% | unfunded | Investment purpose / EPM |
| BNP Paribas Easy Quality Europe | 200% | 230% | unfunded | Investment purpose / EPM |
| BNP Paribas Easy Value Europe | 200% | 230% | unfunded | Investment purpose / EPM |
| BNP Paribas Easy MSCI ACWI | 200% | 230% | funded / unfunded | investment purpose / EPM / currency hedging |
| BNP Paribas Easy MSCI China | 200% | 230% | funded / unfunded | Investment purpose / EPM / currency hedging |
| BNP Paribas Easy MSCI China Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Emerging | 200% | 230% | funded / unfunded | Investment purpose / EPM / currency hedging |
| BNP Paribas Easy MSCI Emerging ex China | 200% | 230% | funded / unfunded | Investment purpose / EPM / currency hedging |
| BNP Paribas Easy MSCI Emerging Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Europe Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Europe Small Caps SRI PAB | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Japan Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Japan SRI PAB | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI USA Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI Pacific ex Japan Min TE | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI USA SRI PAB | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy MSCI World SRI PAB | 100% | 115% | unfunded | currency hedging |
| BNP Paribas Easy S&P 500 II | 200% | 230% | unfunded | Investment purpose / EPM / currency hedging |

(1) The proportions mentioned above are defined as the sum of the absolute values of TRS nominals (with neither netting nor hedging arrangement taken into account) divided by the NAV. The use of TRS may vary over time depending on market conditions. While the expected levels aim to reflect their use under normal market conditions, a higher level reflected by the maximum could be reached when facing liquidity constraints and / or market turmoil with the aim to maintain a cost efficient exposure to shareholders. The expected and maximum levels are indicative. Any significant change during the life of the product will trigger a modification of the Prospectus accordingly.

(2) The expected proportion of TRS in relation to the net assets of the relevant sub-fund may vary depending on the way synthetic replication is implemented *i.e* whether it is carried out through a single swap agreement in that case the expected proportion will be set out at 100%, or through two swap agreements.

**SECURITIES FINANCING TRANSACTIONS ("SFT")**

In accordance with the Regulation 2015/2365 and Circulars 08/356 and 14/592, the Company may enter in securities financing transactions for the purpose of generating additional income.

*List of sub-funds using SFT*

At the date of this Prospectus, no sub-fund is using SFT. Should the Company intend to make use of such transactions, the Prospectus will be amended accordingly.

**Repurchase transactions / Reverse Repurchase transactions**

A Repurchase transaction consists of a forward transactions at the maturity of which the sub-fund has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

A Reverse Repurchase transaction consists of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the asset sold and the sub-fund the obligation to return the asset received under the transaction.

However, the involvement, on a temporary basis, of a sub-fund in such agreements is subject to the following rules:

a) Each sub-fund may buy or sell securities with repurchase options only if the counterparties in these agreements are first-rank financial institutions specialising in this type of transaction; and

b) During the lifetime of a reverse repurchase agreement, a sub-fund may not sell the securities forming the subject of the contract until the counterparty's repurchase option has been exercised or the reverse repurchase term has expired.

In addition, each sub-fund must ensure that the value of the reverse repurchase transactions is at a level that the sub-fund is capable at all times to meet its redemption obligation towards shareholders.

*Eligible securities for reverse repurchase transaction:*

(1) Short-term bank certificates;

(2) Money market instruments;

(3) Bonds issued or guaranteed by a member of state of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature;

(4) Money market UCIs (daily calculation and S&P AAA rated or equivalent);

(5) Bonds issued by non-governmental issuers offering an adequate liquidity;

(6) Shares listed or dealt on a regulated market of the EU or on a stock exchange of a member state of the OECD, provided that they are included in a main index.

*Limits for reverse repurchase transactions*

The securities which are the subject of reverse repurchase transactions must be compliant with the investment policy of the Company and must together with the other securities which the Company holds in its portfolio, globally comply with the investment restrictions of the Company.

A sub-fund that enters into a reverse repurchase agreement will ensure that:

- At any time the sub-fund may recall the full amount of cash or terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the sub-fund.
- At any time the sub-fund may recall any securities subject to the repurchase agreement or terminate the repurchase agreement into which it has entered.
- Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the sub-fund.

*Limits for repurchase transactions*

The assets received must be considered as collateral.

**MANAGEMENT OF COLLATERAL IN RESPECT OF OTC DERIVATIVES AND SFT**

Assets received from counterparties in respect of Financial Derivatives Instruments and Securities Financial Transactions other than currency forwards constitute collateral in accordance with the Regulation 2015/2365 and Circular 14/592.

All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

*Liquidity*

Any collateral received other than cash will be highly liquid and dealt in on a regulated market or multilateral trading facility with transparent pricing in order to be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of the section Limit To Prevent Concentration of Ownership of Appendix 1.

*Valuation*

Collateral received will be valued on at least a daily basis, according to mark-to-market, and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place, dependant on the issuer's credit quality and the maturity of the received securities.

*Risks*

Risk linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.

*Safe-keeping (also for securities subject to TRS and SFT)*

Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

*Enforcement*

Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty. The Company must ensure that it is able to claim its right on the collateral in case of the occurrence of any event requiring the execution thereof. Therefore the collateral must be available at all time either directly or through the intermediary of the counterparty, in such a manner that the Company is able to appropriate or realised the securities given as collateral without delay if the counterparty fails to comply with its obligation to return the securities.

*Collateral diversification (asset concentration)*

Collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the sub-fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a sub-fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any European Union Member State, one or more of its local authorities, a third country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore and South Africa, or a public international body to which one or more European Union Member States belong. Such a sub-fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the sub-fund' net asset value.

The collateral received by a sub-fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

*Stress testing*

For all the sub-funds receiving collateral for at least 30% of their assets, the Management Company will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

*Haircut policy*

The Management Company will set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral.

*Acceptable Collateral* - Public regulatory grid

| Asset Class | Minimum Rating accepted | Margin required / NAV | Cap by asset class / NAV | Cap by Issuer / NAV |
|---|---|---|---|---|
| Cash (EUR, USD, GBP or other Reference Currency) | | [100 - 110%] | 100% | |
| Fixed Income | | | | |
| *Eligible OECD Government Bonds* | BBB | [100 - 115%] | 100% | 20% |
| *Eligible Supra & Agencies* | AA- | [100 - 110%] | 100% | 20% |
| *Other Eligible Countries Government Bonds* | BBB | [100 - 115%] | 100% | 20% |
| *Eligible OECD Corporate Bonds* | A | [100 - 117%] | 100% | 20% |
| *Eligible OECD Corporate Bonds* | BBB | [100 - 140%] | [10% - 30%] | 20% |
| *Eligible OECD Convertible Bonds* | A | [100 - 117%] | [10% - 30%] | 20% |
| *Eligible OECD Convertible Bonds* | BBB | [100 - 140%] | [10% - 30%] | 20% |
| *Money Market Units (1)* | UCITS IV | [100 - 110%] | 100% | 20% |
| *CD's (eligible OECD and other eligible countries)* | A | [100 - 107%] | [10% - 30%] | 20% |
| *Eligible indices & Single equities linked* | | [100% - 140%] | 100% | 20% |
| *Securitization (2)* | | [100% - 132%] | 100% | 20% |

- *Only Money Markets funds managed by BNPP AM. Any other UCITS eligible only upon ad-hoc approval by BNPP AM Risk*
- *Subject to conditions and ad-hoc approval by BNPP AM Risk*

*Applicable limits*

*(i) Limits applicable to non-cash collateral*

In accordance with ESMA guidelines, non-cash collateral received by the Company should not be sold, re-invested or pledged.
Given the high quality of the acceptable collateral and the high quality nature of the selected counterparties, there is no maturity constraints applicable to the collateral received.

*(ii) Limits applicable to cash collateral*

Cash collateral received should only be:

- placed on deposit with entities prescribed in the section Eligible Assets of the Appendix 1;
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the sub-fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in Regulation 2017/1131.

The financial assets other than bank deposit and units of UCIs that the Company has acquired by reinvesting the cash collateral must not be issued by an entity affiliated to the counterparty;

The financial assets acquired via the reinvestment of the cash collateral must not be kept with the counterparty, except if it is legally segregated from the counterparty's assets;

The financial assets acquired via the reinvestment of the cash collateral may not be pledged unless the Company has sufficient liquidities to be able to return the received collateral in the form of cash.

Reinvested cash collateral may lead to several risks such as currency exchange risk, counterparty risk, issuer risk, valuation and settlement risk, which can have an impact on the performance of the sub-fund concerned.

Exposures arising from the reinvestment of collateral received by the Company shall be taken into account within the diversification limits applicable under the Appendix 1.

*Criteria used to select Counterparties*

The Company will enter into transactions with counterparties which the Management Company believes to be creditworthy. They may be related companies at BNP Paribas Group.

Counterparties will be selected by the Management Company with respect for the following criteria:

- leading financial institutions;
- sound financial situation;
- ability to offer a range of products and services corresponding to the requirements of the Management Company;
- ability to offer reactivity for operational and legal points;
- ability to offer competitive price; and
- quality of the execution.

Approved counterparties are required to have a minimum rating of investment grade for OTC derivative counterparties provided however that credit quality assessment of counterparties does not rely only on external credit ratings. Alternative quality parameters are considered

such as internal credit analysis assessment and liquidity and maturity of collateral selected. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. Furthermore counterparties should comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The selected counterparties do not assume any discretion over the composition or management of the sub-funds' investment portfolios or over the underlying of the financial derivative instruments, and their approval is not be required in relation to any sub-fund investment portfolio transaction.

The Company' annual report contains details regarding:

a) the list of appointed counterparties to efficient portfolio management techniques and OTC derivatives;

b) the identity of the issuer where collateral received has exceeded 20% of the assets of a sub-fund;

c) whether a sub-fund has been fully collateralised.

**REPLICATION METHODS**

The three replication methods detailed below may apply to passively-managed funds.

**Full replication**

Full replication is a method whereby the sub-fund intends to replicate the index as precisely as possible by investing in the constituents issued by companies or government entities included in the index, in similar proportions as their weightings in the index.

This approach ensures minimal tracking error and provides a high level of transparency regarding portfolio composition. However, it may be less cost-efficient when the index contains a large number of securities or when some securities are illiquid or costly to trade.

**Optimised replication**

Optimised replication will be preferred to full replication whenever the number of components is too high compared to the assets under management, or when the liquidity is not homogeneous across the constituents of the index. While optimisation can be a more cost-efficient approach than full replication, it may also lead to an increase in Tracking Error as the sub-fund does not hold all index constituents. A model portfolio will thus be created, and its closeness to the index will be constantly monitored, as will correlations between components (correlation grids, quant tests).

**Synthetic replication**

Synthetic replication may be achieved as follows:

- The sub-fund will invest in a basket of securities called 'substitute basket' composed of equities and/or debt securities, and on an ancillary basis in cash and/or short-term deposits. Exposure to the index will be achieved by entering into a TRS that enables the sub-fund to convert the exposure of its 'substitute basket' to the exposure to the index. Furthermore the sub-fund may invest in options, futures and forward contracts linked to the index, on any regulated market or over-the-counter.

In synthetic replication, TRS are used on a continuous basis for achieving the investment policy (investment purpose) in a cost efficient manner (efficient portfolio management purpose) ,as long as the conditions set out in Appendix 2 of Book I are met.

## APPENDIX 3 – INVESTMENT RISKS

Investors must read the Prospectus carefully before investing in any of the sub-funds.

The value of the Shares will increase as the value of the securities owned by any sub-fund increases and will decrease as the value of the sub-fund's investments decreases. In this way, investors participate in any change in the value of the securities owned by the relevant sub-fund(s). In addition to the factors that affect the value of any particular security that a sub-fund owns, the value of the sub-fund's Shares may also change with movements in the stock and bond markets as a whole. Investors are also warned that sub-fund performance may not be in line with the stated "Investment objective" and that the capital they invest (after subscription commissions have been deducted) may not be returned to them in full.

A sub-fund may own securities of different types, or from different asset classes (e.g. equities, bonds, money market instruments, financial derivative instruments) depending on the sub-fund's investment objective. Different investments have different types of investment risk. The sub-funds also have different kinds of risks, depending on the securities they hold. This "Investment Risks" section contains explanations of the various types of investment risks that may be applicable to the sub-funds. Please refer to the Book II of this Prospectus for details as to the principal risks applicable to each sub-fund. Investors should be aware that other risks may also be relevant to the sub-funds from time to time.

### o GENERAL RISKS

This section explains some of the risks that apply to all the sub-funds. It does not aim to be a complete explanation, and other risks may also be relevant from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements. No guarantee or representation is made that the investment program will be successful and there can be no assurance that the sub-fund(s)' investment objective(s) will be achieved. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a sub-fund's investments to diminish or increase.

The Company or any of its sub-funds may be exposed to risks that are outside of their control – for example legal and regulatory risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress or as a result of the registration of the sub-funds in non-EU jurisdictions, the sub-funds may be subject, without any notice to the shareholders in the sub-funds concerned, to more restrictive regulatory regimes potentially preventing the sub-funds from making the fullest possible use of the investment limits. Regulators and self-regulatory organizations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse. The sub-funds may be exposed to the risk of terrorist actions, to the risk that economic and diplomatic sanctions may be in place or imposed on certain States and military action may be commenced. The impact of such events is unclear but could have a material effect on general economic conditions and market liquidity. Investors are reminded that in certain circumstances their right to redeem Shares may be suspended as further described in the Book I.

The Company or any of its sub-funds may be exposed to operational risks, being the risk that operational processes, including those related to the safekeeping of assets, valuation and transaction processing may fail, resulting in losses. Potential causes of failure may arise from human errors, physical and electronic system failures and other business execution risks as well as external events.

### o SPECIFIC RISKS

**Actively managed sub-funds risk**

When a sub-fund is actively managed, the Investment Manager will take investment decisions with complete discretion based on its expertise, skills and judgement in selecting investments and determining asset allocation. As a consequence, there is no guarantee that the investment decisions made by the Investment Manager and/or investment process, models and / or techniques used produce the desired results.

**Alternative Investment Strategies Risks**

Alternative investment strategies involve risks that depend on the type of investment strategy: investment risk (specific risk), model risk, (when the allocation model used by the Strategy is based on a systematic and quantitative mechanism, there is a risk that the model will not be efficient as there is no guarantee that the indicators defined will be relevant in the future. They are defined partly on the basis of historical data and there is nothing to guarantee that previous market situations will repeat themselves in the future), portfolio construction risk, valuation risk (when OTC derivative), counterparty risk, credit risk, liquidity risk, leverage risk (risk that losses exceed the initial investment), financial derivative instruments short selling risk (cf. risks due to short selling via financial derivative instruments).

**Capital Gain Tax Risk**

Investors' attention is drawn to the fact that selling operations of securities by the sub-funds may be subject to short and long-term taxes on capital gains. Investors subscribing in shares of the sub-funds should know that the net asset value per share of these sub-funds may therefore be impacted by these taxes. This applies particularly but not only to Indian tax (see details of specific risks for each sub-fund set out in the table below).

**Cash Collateral Reinvestment Risk**

Cash received as collateral may be reinvested, in compliance with the diversification rules specified in the Art. 43 (e) of CSSF Circular 14/592 exclusively in eligible risk free assets. There is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance, the sub-fund would be required to cover the shortfall.

**Collateral Management Risk**

Collateral may be used to mitigate counterparty risk. There is a risk that the collateral taken, especially where it is in the form of securities, when realized does not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate collateral pricing, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to "Liquidity Risk" above in respect of liquidity risk which may be particularly relevant when collateral takes the form of securities. Where a sub-fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral placed is higher than the cash or investments received by the sub-fund. In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from

counterparties, the sub-funds may face difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

**Commodity Related Exposure Risk**

A sub-fund's exposure to investments in commodities related instruments presents unique risks. Investing in commodities related instruments, including trading in commodities indices and financial derivative instruments related to commodities, can be extremely volatile. Market prices of commodities may fluctuate rapidly based on numerous factors, including changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated or unrealised), weather, agriculture, trade, domestic and foreign political and economic events and policies, diseases, pestilence, technological developments, monetary and other governmental policies.

**Concentration Risk**

Some sub-funds may have an Investment Policy that invests a large portion of the assets in a limited number of issuers, industries, sectors or a limited geographical area. Being less diversified, such sub-funds may be more volatile than broadly diversified sub-funds and carry a greater risk of loss.

**Contingent Convertible Bond Risk**

Contingent convertible securities ("Cocos") are a form of hybrid debt security that are intended to either automatically convert into equity or have their principal written down upon the occurrence of certain "triggers" linked to regulatory capital thresholds or where the issuing banking institution's regulatory authorities considers this to be necessary. CoCos will have unique equity conversion or principal write-down features which are tailored to the issuing banking institution and its regulatory requirements. Some additional risks associated with CoCos are set forth below:

1. *Trigger level risk:* Trigger levels differ and determine exposure to conversion risk depending on the capital structure of the issuer. The conversion triggers will be disclosed in the Prospectus of each issuance. The trigger could be activated either through a material loss in capital as represented in the numerator or an increase in risk weighted assets as measured in the denominator.
2. *Capital structure inversion risk:* Contrary to classic capital hierarchy, CoCos investors may suffer a loss of capital when equity holders do not, e.g. when a high trigger principal write-down CoCos is activated. These cuts against the normal order of capital structure hierarchy where equity holders are expected to suffer the first loss. This is less likely with a low trigger CoCos when equity holders will already have suffered loss. Moreover, high trigger CoCos may suffer losses not at the point of gone concern but conceivably in advance of lower trigger CoCos and equity.
3. *Liquidity and concentration risks:* In normal market conditions CoCos comprise mainly realisable investments which can be readily sold. The structure of the instruments is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons it is not known whether the market will view the issue as an idiosyncratic or systemic event. In the latter case, potential price contagion and volatility to the entire asset class is possible. Furthermore, in an illiquid market, price formation may be increasingly stressed. While diversified from an individual company perspective the nature of the universe means that the sub-fund may be concentrated in a specific industry sector and the Net Asset Value of the sub-fund may be more volatile as a result of this concentration of holdings relative to a sub-fund which diversifies across a larger number of sectors.
4. *Valuation risk:* The attractive return on this type of instrument may not be the only criterion guiding the valuation and the investment decision. It should be viewed as a complexity and risk premium, investors have to fully consider the underlying risks.
5. *Call extension risk:* as CoCos can be issued as perpetual instruments, investors may not be able to recover their capital if expected on call date or indeed at any date.
6. *Risk of coupon cancellation:* with certain types of CoCo Bonds, the payment of coupons is discretionary and may be cancelled by the issuer at any time and for an indeterminate period.

**Counterparty Risk**

Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause. When over-the-counter (OTC) or other bilateral contracts are entered into (inter alia OTC derivatives, repurchase agreements, security lending, etc.), the Company may find itself exposed to risks arising from the solvency of its counterparties and from their inability to respect the conditions of these contracts. If counterparty does not live up to its contractual obligations, it may affect investor returns.

**Credit Risk**

Credit risk, a fundamental risk relating to all fixed income securities as well as Money Market Instruments, is the risk that an issuer will fail to make principal and interest payments when due. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer (particularly a sovereign or supranational issuer), are all factors that may have an adverse impact on an issuer's credit quality and security values. Related to credit risk is the risk of downgrade by a rating agency. Rating agencies such as Standard & Poor's, Moody's and Fitch, among others, provide ratings for a wide array of fixed income securities (corporate, sovereign, or supranational) which are based on their creditworthiness. The agencies may change their ratings from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the value of the affected securities.

**Currency Exchange Risk**

This risk is present in each sub-fund having positions denominated in currencies that differ from its Accounting Currency. If the currency in which a security is denominated appreciates in relation to the Accounting Currency of the sub-fund, the exchange value of the security in the Accounting Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security. When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

**Custody Risk**

Assets of the Company are safe kept by the Custodian and Investors are exposed to the risk of the custodian not being able to fully meet

its obligation to restitute in a short timeframe all of the assets of the Company in the case of bankruptcy of the Custodian. The assets of the Company will be identified in the Custodian's books as belonging to the Company. Securities and debt obligations held by the Custodian will be segregated from other assets of the Custodian which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Custodian does not keep all the assets of the Company itself but uses a network of Sub-Custodians which are not part of the same group of companies as the Custodian. Investors are also exposed to the risk of bankruptcy of the Sub-Custodians. A sub-fund may invest in markets where custodial and/or settlement systems are not fully developed.

**Derivatives Risk**

The Company may use various derivative instruments to reduce risks or costs or to generate additional capital or income in order to meet the investment objectives of a sub-fund. Certain sub-funds may also use derivatives extensively and/or for more complex strategies as further described in their respective investment objectives. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments. The use of derivatives may give rise to a form of leverage, which may cause the Net Asset Value of these sub-funds to be more volatile and/or change by greater amounts than if they had not been leveraged, since leverage tends to exaggerate the effect of any increase or decrease in the value of the respective sub-funds' portfolio securities. Before investing in Shares, investors must ensure to understand that their investments may be subject to the following risk factors relating to the use of derivative instruments:

- Market risk: Where the value of the underlying asset of a derivative instrument changes, the value of the instrument will become positive or negative, depending on the performance of the underlying asset. For non-option derivatives the absolute size of the fluctuation in value of a derivative will be very similar to the fluctuation in value of the underlying security or reference index. In the case of options, the absolute change in value of an option will not necessarily be similar to the change in value of the underlying because, as explained further below, changes in options values are dependent on a number of other variables.
- Liquidity risk: If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price.
- Counterparty risk: When OTC derivative contracts are entered into, the Sub-Funds may be exposed to risks arising from the solvency and liquidity of its counterparts and from their ability to respect the conditions of these contracts. The Sub-Funds may enter into forwards, options and swap contracts, or use other derivative techniques, each of which involves the risk that the counterpart will fail to respect its commitments under the terms of each contract. In order to mitigate the risk, the Company will ensure that the trading of bilateral OTC derivative instruments is conducted on the basis of strict selection and review criteria.
- Settlement risk: Settlement risk exists when a derivative instrument is not settled in a timely manner, thereby increasing counterparty risk prior to settlement and potentially incurring funding costs that would otherwise not be experienced. Should the settlement never occur the loss incurred by the Sub-Fund will correspond to the difference in value between the original and the replacement contracts. If the original transaction is not replaced, the loss incurred by the Sub-Fund will be equal to the value of the contract at the time it becomes void.
- Other risks: Other risks in using derivative instruments include the risk of mispricing or improper valuation. Some derivative instruments, in particular OTC derivative instruments, do not have prices observable on an exchange and so involve the use of formulae, with prices of underlying securities or reference indices obtained from other sources of market price data. OTC options involve the use of models, with assumptions, which increases the risk of pricing errors. Improper valuations could result in increased cash payment requirements to counterparties or a loss of value to the Sub-Funds. Derivative instruments do not always perfectly or even highly correlate or track the value of the assets, rates or Indices they are designed to track. Consequently, the Sub-Funds' use of derivative instruments may not always be an effective means of, and sometimes could be counterproductive to, furthering the Sub-Funds' investment objective. In adverse situations, the Sub-Funds' use of derivative instruments may become ineffective, and the Sub-Funds may suffer significant losses.

Total Return Swaps (TRS) represent a combined market and credit default derivative and their value will change as a result of fluctuations in interest rates as well as credit events and credit outlook. A TRS involves that receiving the total return is similar in risk profile to actually owning the underlying reference security(ies). Furthermore, these transactions may be less liquid than interest rate swaps as there is no standardisation of the underlying reference index, and this may adversely affect the ability to close out a TRS position or the price at which such a close out is transacted. The swap contract is an agreement between two parties and therefore each party bears the other's counterparty risk and collateral is arranged to mitigate this risk. All the revenues arising from TRS will be returned to the relevant Sub-Fund.

**Distressed Securities Risk**

Distressed securities may be defined as debt securities that are officially in restructuring or in payment default and whose rating (by at least one of the major rating agencies) is lower than CCC-. Investment in distressed securities may cause additional risks for a Sub-Fund. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and principal or maintain other terms of the offer documents over any long period of time. They are generally unsecured and may be subordinated to other outstanding securities and creditors of the issuer. Whilst such issues are likely to have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposure to adverse economic conditions. Therefore, a Sub-Fund may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Recovery of interest and principal may involve additional cost for the relevant Sub-Fund.

**SFT Risk**

Efficient portfolio management techniques, such as repurchase and reverse repurchase transactions, involve certain risks. Investors must notably be aware that:

7. In the event of the failure of the counterparty with which cash of a Sub-Fund has been placed, there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded.
8. Locking cash in transactions of excessive size or duration, delays in recovering cash placed out, or difficulty in realizing collateral may restrict the ability of the Sub-Fund to meet sale requests, security purchases or, more generally, reinvestment.
9. Repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with financial derivative instruments, which risks are described above.
10. In a reverse repurchase transaction, a Sub-Fund could incur a loss if the value of the purchased securities has decreased in value relative to the value of the cash or margin held by the relevant Sub-Fund.

**Emerging Markets Risk**

A Sub-Fund may invest in less developed or emerging markets. These markets may be volatile and illiquid and the investments of the Sub-Fund in such markets may be considered speculative and subject to significant delays in settlement. Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Sub-Fund will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Sub-Fund is unable to acquire or dispose of a security. The risk of significant fluctuations in the net asset value and of the suspension of redemptions in those Sub-Funds may be higher than for Sub-Funds investing in major world markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in emerging markets and assets could be compulsorily acquired without adequate compensation. The assets of a Sub-Fund investing in such markets, as well as the income derived from the Sub-Fund, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of Shares of that Sub-Fund may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such countries may be subject to unexpected closure.

**Extra-financial criteria and Sustainability Investments Risk**

***For passively managed sub-funds only***

An extra-financial approach may be implemented in a different way by index providers when setting extra-financial objectives. This also means that it may be difficult to compare strategies integrating extra-financial and sustainability criteria to the extent that the selection and weightings applied to select investments may be based on metrics that may share the same name but have different underlying meanings. In evaluating a security based on the extra-financial and sustainability criteria, the index provider may also use data sources provided by external extra-financial research providers. Given the evolving nature of extra-financial, these data sources may for the time being be incomplete, inaccurate, unavailable or updated. Applying responsible business conduct standards in the investment process may lead to the exclusion of securities of certain issuers. Consequently, the Sub-Fund's financial performance may at times be better or worse than the performance of relatable funds and/or indices that do not apply such standards. In addition, the methodologies used to take into account ESG non-financial criteria may be subject to reviews in the event of regulatory developments or updates that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

Unmanaged or unmitigated sustainability risks can impact the returns of financial products. For instance, should an environmental, social or governance event or condition occur, it could cause an actual or a potential material negative impact on the value of an investment. The occurrence of such event or condition may lead as well to the reshuffle of a Sub-Fund investment strategy/index composition by the index provider, including the exclusion of securities of certain issuers.

Specifically, the likely impact from sustainability risks can affect issuers via a range of mechanisms including: 1) lower revenue; 2) higher costs; 3) damage to, or impairment of, asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific topics such as climate change, the chance of sustainability risks impacting the returns of financial products is likely to increase over longer-term time horizons.

***For actively managed sub-funds only***

An extra-financial approach may be implemented in a different way by management companies when setting investment management objectives for financial products, in particular in view of the absence of common or harmonized labels at European Level. This also means that it may be difficult to compare strategies integrating extra-financial criteria to the extent that the selection and weightings applied to select investments may be based on metrics that may share the same name but have different underlying meanings. In evaluating a security based on the extra-financial criteria, the investment manager may also use data sources provided by external extra-financial research providers. Given the evolving nature of the extra-financial field, these data sources may for the time being be incomplete, inaccurate, unavailable or updated. Applying responsible business conduct standards as well as extra-financial criteria in the investment process may lead to the exclusion of securities of certain issuers. Consequently, the Sub-Fund's financial performance may at times be better or worse than the performance of relatable funds that do not apply such standards. In addition, the proprietary methodologies used to take into account ESG non-financial criteria may be subject to reviews in the event of regulatory developments or updates that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

**Equity Risk**

The risks associated with investments in equity (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a Company's shares to its bonds. Moreover, such fluctuations are often exacerbated in the short-term. The risk that one or more companies suffer a downturn or fail to grow can have a negative impact on the performance of the overall portfolio at a given time. There is no guarantee that investors will see an appreciation in value. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investment.

Some Sub-Funds may invest in initial public offerings ("IPOs"). IPO risk is the risk that the market values of IPO shares may experience high volatility from factors such as the absence of a prior public market, unseasoned trading, the limited number of shares available for trading and limited information about the issuer. Additionally, a Sub-Fund may hold IPO shares for a very short period of time, which may increase a Sub-Fund's expenses. Some investments in IPOs may have an immediate and significant impact on a Sub-Fund's performance.

Sub-Funds investing in growth stocks may be more volatile than the market in general and may react differently to economic, political and market developments and to specific information about the issuer. Growth stocks traditionally show higher volatility than other stocks, especially over short periods. These stocks may also be more expensive in relation to their profits than the market in general. Consequently, growth stocks may react with more volatility to variations in profit growth.

**Hedged Share Class Contagion Risk**

Where a Hedged or Return Hedged share class is available in a Sub-Fund, the use of derivatives that are specific to this share-class may have an adverse impact on other share-classes of the same Sub-Fund. In particular, the use of a derivative overlay in a currency risk hedged share class introduces potential counterparty and operational risks for all investors in the Sub-Fund. This could lead to a risk of contagion to other share classes, some of which might not have any derivative overlay in place.

**High Yield Bond Risk**

When investing in fixed income securities rated below investment grade, there is a higher risk that such the issuer is unable or unwilling to meet its obligations, therefore exposing the Sub-Fund to a loss corresponding to the amount invested in such security.

**Market Risk**

Market risk is a general risk that affects all investments. Price for financial instruments are mainly determined by the financial markets and by the economic development of the issuers, who are themselves affected by the overall situation of the global economy and by the economic and political conditions prevailing in each relevant country.

**Legal Risk**

There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, illegality, change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject to a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions. The use of derivatives may also expose a Sub-Fund to the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

**Liquidity Risk**

Liquidity risk takes two forms: asset side liquidity risk and liability side liquidity risk. Asset side liquidity risk refers to the inability of a Sub-Fund to sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Liability side liquidity risk refers to the inability of a Sub-Fund to meet a redemption request, due to the inability of the Sub-Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Sub-Fund's securities are traded could also experience such adverse conditions as to cause exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the Net Asset Value of the Sub-Fund and on the ability of the Sub-Fund to meet redemption requests in a timely manner.

**Real Estate Related Exposure Risk**

Sub-Funds may indirectly invest in the real estate sector via transferable securities and/or real estate funds. Real estate values rise and fall in response to a variety of factors, including local, regional and national economic conditions, interest rates and tax considerations. When economic growth is slow, demand for property decreases and prices may decline. Property values may decrease because of overbuilding, increases in property taxes and operating expenses, changes in zoning laws, environmental regulations or hazards, uninsured casualty or condemnation losses, or general decline in neighbourhood values.

**Risks Related to Investments in Some Countries**

Investments in some countries (e.g. China, Greece, India, Indonesia, Japan, Saudi Arabia and Thailand) involve risks linked to restrictions imposed on foreign investors and counterparties, higher market volatility and lack of liquidity. Consequently, some shares may not be available to the Sub-Fund due to the number of foreign shareholders authorised or if the total investment permitted for foreign shareholders has been reached. In addition, the repatriation by foreign investors of their share, capital and/or dividends may be restricted or require the approval of the government. The Company will only invest if it considers that the restrictions are acceptable. However, no guarantee can be given that additional restrictions will not be imposed in future.

**Securitised Products Risk**

Sub-Fund investing in securitised products, such as Mortgage-Backed Securities (MBS) and other Asset-Backed Securities (ABS), are exposed to the following risks:

- *Interest rate risk:* Prices may fall as interest rates rise due to fixed coupon rates.
- *Prepayment risk:* The risk that the mortgage holder (the borrower) will pay back the mortgage before its maturity date, which reduces the amount of interest the investor would have otherwise received. Prepayment, in this sense, is a payment in excess of the scheduled principal payment. This situation may arise if the current market interest rate falls below the interest rate of the mortgage, since the homeowner is more likely to refinance the mortgage. Unanticipated prepayments can change the value of some securitised products.
- *Term structure risk:* Monthly principal cash flows cause a laddered structure. The value of securities can be affected by a steepening or flattening of the yield curve.
- *Credit risk:* While the agency market has little or no credit risk, the non-agency market has varying levels of credit risk.
- *Default risk and downgrading risk:* It can be due to the borrower's failure to make timely interest and principal payments when due. Default may result from a borrower's failure to meet other obligations as well as the maintenance of collateral as specified in the Prospectus. An investor's indicator of a security's default can be its credit rating. Because of the credit enhancements required for Asset Backed Securities (ABS) by the rating agencies, the senior tranches are mostly rated triple-A, the highest rating available. The junior tranches of an ABS issue are lower-rated or unrated and are designed to absorb any losses before the senior tranches. Prospective buyers of these classes of an issue must decide if the increased risk of default is balanced by the higher returns these classes pay.
- *Liquidity risk:* The market for privately (non – Agency) issued MBS is smaller and less liquid than the market for Agency MBS. The Company will only invest in securitised products that the Investment Manager trusts to be liquid.
- *Legal Risk:* Non-mortgage related ABS may not have the benefit of any legal title on the underlying assets and recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities.

More detailed risk warnings:

- *About MBS and ABS:* The yield characteristics of MBS and other ABS differ from traditional debt securities. A major difference is that the principal amount of the obligation generally may be prepaid at any time because the underlying assets generally may be prepaid at any time. As a result, if an ABS is purchased at a premium, a prepayment rate that is faster than expected will reduce the yield to maturity, while a prepayment rate that is slower than expected will have the opposite effect of increasing the yield to maturity. Conversely, if an ABS is purchased at a discount, faster than expected prepayments will increase the yield to maturity, while slower than expected prepayments will decrease the yield to maturity. Generally, pre-payments on fixed-rate mortgage loans will increase during a period of falling interest rates and decrease during a period of rising interest rates. MBS and ABS may also decrease in value as a result of increases in interest rates and, because of prepayments, may benefit less than other fixed income securities from declining interest rates. Reinvestment of prepayments may occur at lower interest rates than the original investment, thus adversely affecting a sub-fund's yield. Actual prepayment experience may cause the yield of ABS to differ from what was assumed when the Company purchased the security.
- *About Collateralised Mortgage Obligation (MBO), Collateralised Bond Obligation (CBO), Collateralised Debt Obligation (CDO) and Collateralised Loan Obligation (CLO):* Classes or tranches may be specially structured in a manner that provides any of a wide variety

of investment characteristics, such as yield, effective maturity and interest rate sensitivity. As market conditions change, however, and especially during periods of rapid or unanticipated changes in market interest rates, the attractiveness of some CDO tranches and the ability of the structure to provide the anticipated investment characteristics may be significantly reduced. These changes can result in volatility in the market value, and in some instances reduced liquidity, of the CDO tranches. Certain tranches of CMOs are structured in a manner that makes them extremely sensitive to changes in prepayments rates. IO (Interest Only) and PO (Principal Only) tranches are examples of this. IO tranches are entitled to receive all or a portion of the interest, but none (or only a nominal amount) of the principal payments, from the underlying mortgage assets. If the mortgage assets underlying of an IO experience greater than anticipated principal prepayments, the total amount of interest payments allocable to the IO Class, and therefore the yield to investors, generally will be reduced. In some instances, an investor in an IO may fail to recover all of its initial investment, even when the securities are government guaranteed or considered to be of the highest quality (rated AAA or the equivalent). Conversely, PO Classes are entitled to receive all or a portion of the principal payments, but none of the interest, from the underlying mortgage assets. PO Classes are purchased at substantial discounts from par, and the yield to investors will be reduced if principal prepayments are slower than expected. Some IOs and POs, as well as other CMO tranches, are structured to have special protections against the effect of prepayments. However, these structural protections normally are effective only within certain ranges of prepayments rates and thus will not protect investors in all circumstances. Inverse floating rate CMO Classes also may be extremely volatile. These tranches pay interest at a rate that decreases when a specified index of market rates increases.

For what concerns Collateralised Mortgage Obligation, Collateralised Bond Obligation, Collateralised Debt Obligation, and Collateralised Loan Obligation, any losses realised in relation to the underlying assets are allocated first to the securities of the most junior tranche, then to the principal of the next lowest tranche, and so forth.

**Small Cap, Specialised or Restricted Sectors Risk**

Sub-funds investing in small caps or specialised or restricted sectors are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions. Smaller companies may lack depth of management, be unable to generate funds necessary for growth or development, have limited product lines or be developing or marketing new products or services for which markets are not yet established and may never become established. Smaller companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans which are floating-rate.

**Swing Pricing Risk**

The actual cost of purchasing or selling the underlying investments of a sub-fund may be different from the carrying value of these investments in the sub-fund's valuation. The difference may arise due to dealing and other costs (such as taxes) and/or any spread between the buying and selling prices of the underlying investments. These dilution costs can have an adverse effect on the overall value of a sub-fund and thus the net asset value per share may be adjusted in order to avoid disadvantaging the value of investments for existing shareholders.

**Tracking Error Risk**

The performance of the sub-fund may deviate from the actual performance of the Benchmark Index due to factors including but not limited to liquidity of the index constituents, possible stock suspensions, trade band limits decided by the stock exchanges, changes in taxation of capital gains and dividends, discrepancies between the tax rates applied to the sub-fund and to the index on capital gains and dividends, limitations or restrictions on foreign investors ownership of shares imposed by the governments, fees and expenses, changes to the Benchmark Index and operational inefficiencies. In addition, the sub-fund may not be able to invest in certain securities included in the Benchmark Index or invest in them in the exact proportions they represent of the index due to legal restrictions imposed by the governments, a lack of liquidity on stock exchanges or other reasons. There could be other factors which can impact the Tracking Error, such as the application of ESG criteria for actively managed sub-funds. The tracking error of the sub-funds using swing pricing is determined before taking into account any swing pricing mechanism.

In the context of passively-managed funds, Tracking Error can stem from different sources, depending on the replication method.

In full replication, Tracking Error is mainly due to transaction costs, differences in income reinvestment policies, tax treatments and cash drag.

In optimised replication, Tracking Error is mainly due to the difference in the sub-fund's and index compositions, transaction costs, differences in income reinvestment policies, tax treatments and cash drag.

In synthetic replication, tracking error is mainly due to the cost of the swap and cash drag.

Either in full, optimised and synthetic replication, the sub-fund follows the same rebalancing policy as the index. Index changes are implemented on the same day as in the index in order not to deviate from the index performance.

The costs of rebalancing the portfolio will depend on the index turnover and the transactions costs of trading the underlying securities. Rebalancing costs will negatively impact the sub-fund's performance.

**Warrant Risk**

Warrants are complex, volatile, high-risk instruments. One of the principal characteristics of warrants is the "leverage effect" whereby a change in the value of the underlying asset can have a disproportionate effect on the value of the warrant. There is no guarantee that, in the event of an illiquid market, it will be possible to sell the warrant on a secondary market.

- **SPECIFIC RISKS RELATED TO INVESTMENTS IN MAINLAND CHINA**

Certain sub-funds may invest in Chinese domestic securities market, i.e. China A-Shares, China B-Shares, debt instruments traded on the China Interbank Bond market and other permitted domestic securities in accordance with the investment policies of the relevant sub-fund. Investing in the PRC ("People's Republic of China") carries a high degree of risk. Apart from the usual investment risks, investing in the PRC is also subject to certain other inherent risks and uncertainties.

*Government intervention and restriction risk:*

The economy of China, which has been in a state of transition from a planned economy to a more market oriented economy, differs from the economies of most developed countries in many respects, including the level of government involvement, state of development, growth rate, control of foreign exchange and allocation of resources. Such interventions or restrictions by the PRC government may affect the trading of Chinese domestic securities and have an adverse effect of the relevant sub-funds,

The PRC government has in recent years implemented economic reform measures emphasising the utilisation of market forces in the development of the PRC's economy and a high level of management autonomy. However, there can be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any adjustment and modification of those economic policies may have an adverse impact on the securities markets in the PRC as well as on overseas companies which trade with or invest in the PRC.

Moreover, the PRC government may intervene in the economy, possible interventions include restrictions on investment in companies or industries deemed sensitive to relevant national interests. In addition, the PRC government may also intervene in the financial markets by, such as but not limited to, the imposition of trading restrictions or the suspension of short selling for certain stocks. Such interventions may induce a negative impact on the market sentiment which may in turn affect the performance of the sub-funds. Investment objective of the sub-funds may be failed to achieve as a result.

The PRC legal system may not have the level of consistency or predictability as in other countries with more developed legal systems. Due to such inconsistency and unpredictability, if the sub-funds were to be involved in any legal dispute in the PRC, it may experience difficulties in obtaining legal redress or in enforcing its legal rights. Thus, such inconsistency or future changes in legislation or the interpretation thereof may have adverse impact upon the investments and the performance of the sub-funds in the PRC.

*PRC Political, Economic and Social Risks:*

The economy of the PRC has experienced significant growth in the past twenty years, but growth has been uneven both geographically and among various sectors of the economy. Economic growth has also been accompanied by periods of high inflation. The PRC government may from time to time adopt corrective measures to control inflation and restrain the rate of economic growth, which may also have an adverse impact on the capital growth and performance of the sub-funds. Further, political changes, social instability and adverse diplomatic developments in the PRC could result in the imposition of additional government restrictions including the expropriation of assets, confiscatory taxes or nationalisation of some or all of the investments held by the underlying securities in which the sub-funds may invest.

*Government control of cross-border currency conversion and future movements in exchange rates:*

Currently, the RMB is traded in two different and separated markets, i.e. one in the Mainland China, and one outside the Mainland China (primarily in Hong Kong). The two RMB markets operate independently where the flow between them is highly restricted. Though the CNH is a proxy's of the CNY, they do not necessarily have the same exchange rate and their movement may not be in the same direction. This is because these currencies act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets. While the RMB traded outside the Mainland China, the CNH, is subject to different regulatory requirements and is more freely tradable, the RMB traded in the Mainland China, the CNY, is not a freely convertible currency and is subject to foreign exchange control policies of and repatriation restrictions imposed by the central government of the Mainland China, that could possibly be amended from time to time, which will affect the ability of the sub-funds to repatriate monies. Investors should also note that such restrictions may limit the depth of the RMB market available outside of Mainland China. If such policies or restrictions change in the future, the position of the sub-funds or its Shareholders may be adversely affected. Generally speaking, the conversion of CNY into another currency for capital account transactions is subject to SAFE ("State Administration of Foreign Exchange") approvals. Such conversion rate is based on a managed floating exchange rate system which allows the value of CNY to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. Any divergence between CNH and CNY may adversely impact investors who intend to gain exposure to CNY through investments in a sub-fund.

*Accounting and Reporting Standards:*

PRC companies which may issue RMB securities to be invested by the sub-funds are required to follow PRC accounting standards and practices which follow international accounting standards to a certain extent. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards. As the disclosure and regulatory standards in China are less stringent than in more developed markets, there might be substantially less publicly available information about Chinese issuers. Therefore, less information may be available to the sub-funds and other investors. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

**PRC Taxation Risk:**

Investment in the sub-funds may involve risks due to uncertainty in tax laws and practices in the PRC. According to PRC tax laws, regulations and policies ("PRC Tax Rules"), a non-PRC tax resident enterprise (such as FIIs and certain eligible foreign institutional investors) without a permanent establishment or place in the PRC (such as FIIs) will generally be subject to withholding income tax of 10% on its PRC sourced income, subject to below elaboration:

*Capital gain*

According to a tax circular issued by the Ministry of Finance of the PRC ("MoF"), SAT and CSRC dated 31 October 2014, capital gain derived from the transfer of PRC equity investment assets such as China A-Shares on or after 17 November 2014 is temporarily exempt from PRC income tax. However, capital gain realised by FIIs prior to 17 November 2014 is subject to PRC income tax in accordance with the provisions of the laws. The MoF, the SAT and the CSRC also issued joint circulars in 2014 and 2016 to clarify the taxation of the Stock Connect, in which capital gain realized from the transfer of China A-Shares via Stock Connect is temporarily exempt from PRC income tax.

Based on verbal comments from the PRC tax authorities, gains realized by foreign investors (including FIIs) from investment in PRC debt securities are non-PRC sourced income and thus should not be subject to PRC income tax. However, there are no written tax regulations issued by the PRC tax authorities to confirm that interpretation. As a matter of practice, the PRC tax authorities have not levied PRC income tax on capital gains realised by FIIs from the trading of debt securities, including those traded via CIBM.

*Dividend*

Under the current PRC Tax Rules, non-PRC tax resident enterprises are subject to PRC withholding income tax on cash dividends and bonus distributions from PRC enterprises. The general rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

*Interest*

Unless a specific exemption is applicable, non-PRC tax resident enterprises are subject to PRC withholding tax on the payment of interests on debt instruments issued by PRC tax resident enterprises, including bonds issued by enterprises established within the PRC. The general withholding tax rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

Interest derived from government bonds issued by the in-charge Finance Bureau of the State Council and/or local government bonds approved by the State Council is exempt from income tax under PRC Tax Rules.

According to a tax circular jointly issued by the Ministry of Finance of the PRC ("MoF") and the State Administration of Taxation of the PRC ("SAT") on 7 November 2018, foreign institutional investors are temporarily exempt from PRC income tax with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and imposed on a retrospective basis, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future.

*Value-added tax ("VAT")*

VAT at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. According to the latest PRC Tax Rules, the gains derived from trading of marketable securities (including A-shares and other PRC listed securities) are exempted from VAT. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

According to a tax circular, foreign institutional investors are temporarily exempt from VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and imposed on a retrospective basis, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future.

Dividend income or profit distributions on equity investment derived from PRC are not included in the taxable scope of VAT.

There are no specific PRC Tax Rules which govern the taxation of gains on the disposal of other investments, and the current practice of exemption may not be consistently applied to all such investments and is based on verbal comments and practice of the tax administration. The PRC Tax Rules may not be interpreted and applied as consistent and transparent as those of more developed countries and may vary from city to city and in some cases certain taxes which could be considered payable are not actively enforced for collection, nor is any mechanism provided for payment. Moreover, the existing PRC Tax Rules and practices may be changed or amended in the future, e.g.: the PRC government may abolish temporary tax incentives that are currently offered to foreign investors, and they may be changed with retrospective effect and could be applied along with penalties and / or late payment interest. Such new PRC Tax Rules may operate to the advantage or disadvantage of the investors.

Tax provisions could be made for the sub-funds. In light of the uncertainty and in order to meet the potential tax liability, the Company reserves the right to adjust such provision as deemed necessary. Investors should be aware that the net asset value of the sub-funds on any Valuation Day may not accurately reflect Chinese tax liabilities. Depending on the tax liabilities payable, it may bring positive or negative impact to the performance and net asset value of the sub-funds. In the event penalties or late payment interest could be applicable due to factors such as retrospective amendments, changes in practice or uncertain regulations, this could impact the net asset value at the time of settlement with the PRC tax authorities. In the case where the amount of tax provisions made is less than the tax liabilities payable, the amount of shortfall will be deducted from the sub-fund's assets and affecting the sub-fund's net asset value adversely. In the opposite case where the amount of tax provisions made is more than the tax liabilities payable, the release of extra tax provision will affect the sub-fund's net asset value positively. This will only benefit existing investors. Investors who have redeemed their Shares before the tax liabilities amount is determined will not be entitled to any part of such release of extra tax provision.

*Specific risks related to investments in Mainland China equity securities*

In common with other emerging markets, the Chinese market may be faced with relatively low transaction volumes, and endure periods of lack of liquidity or considerable price volatility. The existence of a liquid trading market for China A-Shares and B-Shares may depend on whether there is supply of, and demand for, such China A-Shares and B-Shares. The price at which securities may be purchased or sold by the sub-funds and the net asset value of the sub-funds may be adversely affected if trading volumes on markets for China A-Shares and B-Shares (Shanghai Stock Exchange and Shenzhen Stock Exchange) are limited or absent. The China A-Shares and B-Shares markets may be more volatile and unstable (for example, due to government intervention or in the case where a particular stock resumes trading at a very different level of price after its suspension). Market volatility and settlement difficulties in the China A-Shares and B-Shares markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the sub-funds. Subscriptions and redemptions of Shares in the sub-funds may also be disrupted accordingly.

*Trading limitations Risk:*

Trading band limits are imposed by the stock exchanges in the PRC on China A-Shares and/or B-Shares, where trading in any China A-Share and/or B-Share on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. Considering that PRC securities markets can be frequently affected by trading halts and low trading volume, investors should be aware that A-Shares and/or B-Shares markets are more likely to suffer from illiquidity and greater price volatility, which is mostly due to greater government restriction and control relating to A-Shares and/or B-Shares markets. A suspension (or a sequence of suspensions) will render the management of the securities involved complicated or make it impossible for the Investment Manager to liquidate positions and/or sell its positions at a favorable price at the worst moment.

**Risks related to Stock Connect**

*Eligible securities*

Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors will be able to trade certain stocks listed on the Shanghai Stock Exchange ("SSE") and the Shenzhen Stock Exchange ("SZSE") markets. These include:

- All the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index
- All the constituent stocks from time to time of the SZSE Component Index and SZSE Small / Mid Cap Innovation Index with market capitalization at least RMB 6 billion
- All the SZSE-listed China A-Shares and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices, which have corresponding H-Shares listed on Hong Kong Exchanges and Clearing Limited ("SEHK"), except the following:
  (a) SSE/SZSE-listed shares which are not traded in RMB;
  (b) SSE/SZSE-listed shares which are risk alert shares; and
  (c) SZSE-listed shares which are under delisting arrangement.

It is expected that the list of eligible securities will be subject to review. If a stock is recalled from the scope of eligible securities for trading via Stock Connect, the stock can only be sold and cannot be bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible securities as provided and renewed from time to time by SSE, SZSE and SEHK.

*Differences in trading day:*

Stock Connect will only operate on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but the sub-funds cannot carry out any China A-Shares trading. The sub-funds may be subject to a risk of price fluctuations in China A-Shares during the time when Stock Connect is not trading as a result. This may adversely affect the sub-funds' ability to access mainland China and effectively pursue their investment strategies. This may also adversely affect the sub-funds' liquidity.

*Settlement and Custody:*

The Hong Kong Securities Clearing Company Limited ("HKSCC") will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The China A-Shares traded through Stock Connect are issued in scriptless form, so sub-funds will not hold any physical China A-Shares. Sub-funds should maintain the China A-Shares with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

*Trading fees:*

In addition to paying trading fees in connection with China A-Shares trading, the sub-funds may be subject to new fees which are yet to be determined by the relevant authorities.

*Quota limitations:*

The Stock Connect is subject to quota limitations. In particular, once the Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the sub-fund's ability to invest in China A-Shares through Stock Connect on a timely basis, and the sub-funds may not be able to effectively pursue its investment strategies.

*Operational risk:*

The Stock Connect provides a channel for investors from Hong Kong and overseas to access the China stock market directly. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. Due to their recent implementation and the uncertainty about their efficiency, accuracy and security, there is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The sub-fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected. Consequently, investors in the China A-Share market should be aware of the economic risk of an investment in those shares, which may lead to a partial or total loss of the invested capital.

*Clearing and settlement risk:*

The HKSCC and ChinaClear will establish the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. Should ChinaClear be declared as a defaulter, HKSCC's liabilities in trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. In that event, the sub-funds may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

*Regulatory risk:*

The Stock Connect is novel in nature, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong from time to time. The regulations are untested and there is no certainty as to how they will be applied.

*Ownership of China A-Shares:*

China A-Shares acquired by the sub-funds through the Stock Connect are recorded in the name of HKSCC in its omnibus account held with ChinaClear. The China A-Shares are held in custody under the depository of ChinaClear and registered in the shareholders' register of the relevant listed Companies. HKSCC will record such China A-Shares in the CCASS stock account of the clearing participant.

Under Hong Kong law, HKSCC will be regarded as the legal owner (nominee owner) of the China A-Shares, holding the beneficial entitlement to the China A-Shares on behalf of the relevant clearing participant.

Under PRC law there is a lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership". The regulatory intention appears to be that the concept of 'nominee owner" is recognised under PRC laws and that the overseas investors should have proprietary rights over the China A-Shares. However, as the Stock Connect is a recent initiative there may be some uncertainty surrounding such arrangements. Accordingly, the sub-fund's ability to enforce its rights and interests in the China A-Shares may be adversely affected or suffer delay.

*Investor compensation*

Since the sub-funds will carry out Northbound trading through securities brokers in Hong Kong but not PRC brokers, they are not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC.

Further information about Stock Connect is available online at the website:
http://www.hkex.com.hk/eng/csm/chinaConnect.asp?LangCode=en

**Risk related to Bond Connect**

Regulatory risk:

Participation in CIBM by foreign institutional investors (such as the sub-funds) is governed by rules and regulations as promulgated by the Mainland Chinese authorities. The relevant rules and regulations is subject to change from time to time which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend trading on the Bond Connect, the sub-fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the sub-fund may suffer substantial losses as a result.

Under the prevailing regulations in Mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect ("Northbound Trading Link"). There will be no investment quota for Northbound Trading Link.

Operational risk:

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event the

relevant systems fails to perform properly, trading through Bond Connect may be disrupted and a sub-fund's ability to pursue its investment strategy may be adversely affected.

Settlement and Custody:

An offshore custody agent recognized by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (currently, the China Central Depository & Clearing Co., Ltd and/or the Shanghai Clearing House). All debt securities traded by eligible foreign investors will be registered in the name of Central Money markets Unit, which will hold such debt securities as a nominee owner. As such, the sub-fund is subject to the risks of default or errors on the part of such third parties.

Details of specific risks for each sub-fund are provided below:

| Sub-fund | Applicable Risks |
|---|---|
| **Bloomberg US Treasury 3-7Y** | Tracking Error Risk |
| **Bloomberg US Treasury 7-10Y** | Tracking Error Risk |
| **EUR Corp Bond SRI PAB 7-10Y** | Credit Risk, Extra-financial and Sustainability Investments Risks; Tracking Error Risk; Contingent Convertible Bond Risk |
| **EUR Corp Bond SRI PAB** | Credit Risk, Extra-financial and Sustainability Investments Risks; Tracking Error Risk; Contingent Convertible Bond Risk |
| **EUR Corp Bond SRI PAB 1-3Y** | Credit Risk, Extra-financial and Sustainability Investments Risks; Tracking Error Risk; Contingent Convertible Bond Risk |
| **EUR Corp Bond SRI PAB 3-5Y** | Credit Risk, Extra-financial and Sustainability Investments Risks; Tracking Error Risk; Contingent Convertible Bond Risk |
| **EUR Overnight** | Tracking Error Risk; Counterparty Risk, Derivatives Risk, Equity Risk, Collateral Management Risk |
| **ECPI Circular Economy Leaders** | Extra-Financial and Sustainability Investments Risk; Tracking Error Risk; Equity Risk |
| **Global Corp Bond** | Credit Risk; Extra-Financial and Sustainability Investment Risk; Tracking Error Risk |
| **ECPI Global ESG Blue Economy** | Extra Financial and Sustainability Investment Risk; Tracking Error Risk; Equity Risk |
| **ECPI Global ESG Hydrogen Economy** | Extra Financial and Sustainability investments risk; Tracking Error Risk; Equity Risk |
| **Energy & Metals Enhanced Roll** | Tracking Error Risk; Counterparty Risk; Derivatives Risk; Equity Risk, Collateral Management Risk, Commodity related exposure Risk |
| **Dividend Europe** | Extra Financial and Sustainability Investments Risks; Tracking Error Risks; Counterparty Risks; Derivatives Risks; Equity Risk, Collateral Management Risk |
| **ESG Eurozone Biodiversity Leaders PAB** | Extra Financial and Sustainability Investments Risks; Tracking Error Risks; Equity Risk |
| **Low Vol Europe** | Extra-Financial and Sustainability Investment Risks; Tracking Error Risk; Counterparty Risk; Derivatives Risks; Equity Risk, Collateral Management Risk |
| **Quality Europe** | Extra-Financial and Sustainability Investment Risks; Tracking Error Risk; Counterparty Risks; Derivative Risks; Equity Risk, Collateral Management Risk |
| **Value Europe** | Extra-Financial and Sustainability Investment Risks;Tracking Error Risk; Counterparty Risk; Derivatives Risk; Equity Risk, Collateral Management Risk |
| **Bloomberg Europe Defense** | Tracking Error Risk; Equity Risk, Liquidity Risk, Small Cap, Specialised or Restricted Sectors Risk, Concentration Risk |
| **FTSE EPRA Nareit Developed Europe Green CTB** | Extra-Financial and Sustainability Investments Risks; Tracking Error Risk; Equity Risk, Real Estate Related Exposure Risk |
| **Global Aggregate Bond SRI Fossil Free** | Credit Risk; Extra-financial and Sustainability Investmens Risks; Tracking Error Risk, Risk related to Bond Connect |
| **JPM Screened EMBI Global Diversified Composite** | Credit Risk; Extra-financial and Sustainability Investments Risks; Tracking Error Risk; Emerging Markets Risk, Liquidity Risk |
| **Alpha Enhanced € Corp Bond** | Credit Risk; Extra-financial and Sustainability Investments Risks; Counterparty Risk; Derivatives Risk; Securitised Products Risk; Actively managed sub-fund risk |
| **Alpha Enhanced Europe** | Extra-Financial and Sustainability Investments Risk; Derivatives Risk; Equity Risk; Actively managed sub-fund risk |
| **Alpha Enhanced Global High Yield** | Credit Risk;<br>Extra-Financial and Sustainability Investments Risk; Derivatives Risk; Equity Risk; Actively managed sub-fund risk |
| **Alpha Enhanced USD Corp Bond** | Credit Risk; Counterparty risk; Derivatives Risk; Securitised Product Risk; Actively managed sub-fund risk |
| **Bloomberg US Treasury** | Credit Risk;Tracking Error Risk |
| **Bloomberg US Treasury 1-3Y** | Credit Risk; Tracking Error Risk |
| **JPM Tilted EMU Government Bond IG** | Credit Risk; Tracking Error Risk |
| **JPM Tilted EMU Government Bond IG 1-3Y** | Credit Risk;Extra-Financial and Sustainability Investments Risk |
| **JPM Tilted EMU Government Bond IG 3-5Y** | Credit Risk; Extra-Financial and Sustainability investments Risks; Tracking Error Risk |
| **JPM Tilted EMU Government Bond IG 10Y+** | Credit Risk; ExtraFinancial and Sustainability Investments Risk; Tracking Error Risk; ; |
| **JPM Screened Green Social & Sustainability IG EUR Bond** | Credit Risk; |

| Sub-fund | Applicable Risks |
|---|---|
| **Low Carbon 100 Europe PAB** | **Extra-financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **Low Carbon 300 World PAB** | **Extra-financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI ACWI** | **Extra-financial and Sustainability investments Risk, Tracking Error Risk, Counterparty Risk, Derivatives Risk, Capital Gain Tax Risk** |
| **MSCI China** | Concentration Risk, Currency Exchange Risk; Derivatives Risk; Emerging Markets Risk; Equity Risk; Market Risk; SpecificRisks related to investments in Mainland China; Tracking Error Risk |
| **MSCI China Min TE** | **Extra-financial and Sustainability investments Risk, Tracking Error Risk, Emerging Markets Risk, Equity Risk, Capital Gain Tax Risk, Risk related to investments in some countries, Specific risks related to investments in Mainland China** |
| **MSCI Emerging ex China** | **Tracking Error Risk, Emerging Markets Risk, Counterparty Risk, Derivatives Risk** |
| **MSCI Emerging** | **Tracking Error Risk, Emerging Markets Risk, Counterparty Risk, Derivatives Risk** |
| **MSCI Emerging Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Emerging Markets Risk, Counterparty Risk, , Equity Risk, Capital Gain Tax Risk, , Specific risk related to investments in Mainland China** |
| **MSCI Emerging SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Emerging Markets Risk, Counterparty Risk, , Equity Risk, Capital Gain Tax Risk, Risk related to investments in some countries, Specific risk related to investments in Mainland China** |
| **MSCI EMU** | **Equity Risk, Market Risk, Tracking Error Risk** |
| **MSCI EMU Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI EMU SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI Europe** | **Tracking Error Risk, Equity Risk** |
| **BNP Paribas Easy MSCI Europe Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI Europe Small Caps SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Counterparty Risk, Derivatives Risk, Equity Risk, Collateral Management Risk, Small Cap, Specialised or Restricted Sectors Risk** |
| **MSCI Europe SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI Japan** | **Tracking Error Risk, Equity Risk** |
| **MSCI Japan Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI Japan SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI USA Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI Pacific ex Japan Min TE** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Emerging Markets Risk, Equity Risk** |
| **MSCI USA SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **MSCI World SRI PAB** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk** |
| **ESG Enhanced EMU** | **Extra financial and Sustainability investments Risk, Equity Risk; Actively managed sub-fund** |
| **ESG Enhanced EUR Corp Bond** | **Credit Risk, Extra financial and Sustainability investments Risk, Tracking Error Risk, Contingent Convertible Bonds Risk** |
| **ESG Enhanced EUR Government Bond** | **Credit Risk, Extra financial and Sustainability investments Risk, Tracking Error Risk, Contingent Convertible Bonds Risk; Actively managed sub-fund** |
| **ESG Enhanced Europe** | **Extra financial and Sustainability investments Risk, Tracking Error Risk, Equity Risk; Actively managed sub-fund** |
| **S&P 500 II** | **Tracking Error Risk; Counterparty Risk; Derivatives Risk; Equity Risk, Collateral Management Risk** |
| **FTSE EPRA/Nareit Eurozone Capped** | **Tracking Error Risk;Equity Risk , Real Estate Related Exposure Risk, Liquidity Risk** |

## APPENDIX 4 – LIQUIDATION, MERGER, TRANSFER AND SPLITTING PROCEDURES

***Liquidation, Merger, Transfer, and Splitting of Sub-funds***

The Board of Directors shall have sole authority to decide on the effectiveness and terms of the following, under the limitations and conditions prescribed by the Law:

1) either the pure and simple liquidation of a sub-fund;
2) or the closure of a sub-fund (merging sub-fund) by transfer to another sub-fund of the Company;
3) or the closure of a sub-fund (merging sub-fund) by transfer to another UCI, whether incorporated under Luxembourg law or established in another member state of the European Union;
4) or the transfer to a sub-fund (receiving sub-fund) a) of another sub-fund of the Company, and/or b) of a sub-fund of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union, and/or c) of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union;
5) or the splitting of a sub-fund.

The splitting techniques will be the same as the merger one foreseen by the Law.

As an exception to the foregoing, if the Company should cease to exist as a result of such a merger, the effectiveness of this merger must be decided by a General Meeting of Shareholders of the Company resolving validly whatever the portion of the capital represented. The resolutions are taken by a simple majority of the votes cast. The cast votes do not include those attached to the shares for which the shareholder did not take part in the vote, abstained or voted white or no.

To avoid any investment breach due to the merger, and in the interest of the shareholders, the investment manager might need to rebalance the portfolio of the Merging sub-fund before the merger. Such rebalancing shall be compliant with the investment policy of the Receiving sub-fund.

In the event of the pure and simple liquidation of a sub-fund, the net assets shall be distributed between the eligible parties in proportion to the assets they own in said sub-fund. The assets not distributed at the time of the closure of the liquidation and normally within nine months of the date of the decision to liquidate shall be deposited with the Public Trust Office (Caisse de Consignation) until the end of the legally specified limitation period.

Pursuant to this matter, the decision adopted at the level of a sub-fund may be adopted similarly at the level of a category or a class.

***Liquidation of a Feeder sub-fund***

A Feeder sub-fund will be liquidated:

- when the Master is liquidated, unless the CSSF grants approval to the feeder to:
  - invest at least 85% of the assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non-Feeder.
- when the Master merges with another UCITS, or sub-fund or is divided into two or more UCITS, or sub-fund unless the CSSF grants approval to the feeder to:
  - continue to be a Feeder of the same Master or the Master resulting from the merger or division of the Master;
  - invest at least 85% of its assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non-Feeder.

***Dissolution and Liquidation of the Company***

The Board of Directors may, at any time and for any reason whatsoever, propose to the General Meeting the dissolution and liquidation of the Company. The General Meeting will give its ruling in accordance with the same procedure as for amendments to the Articles of Association.

If the Company's capital falls below two-thirds of the minimum legal capital, the Board of Directors may submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a simple majority of the votes of shareholders present or represented, account shall not be taken of abstentions.

If the Company's capital falls below one-quarter of the minimum legal capital, the Board of Directors shall submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a part of one-quarter of the votes of shareholders present or represented, account shall not be taken of abstentions.

In the event of the Company's dissolution, the liquidation will be conducted by one or more liquidators that may be individuals or legal entities. They will be appointed by the General Shareholders' Meeting, which will determine their powers and remuneration, without prejudice to the application of the Law.

The net proceeds of the liquidation of each sub-fund, category, or class will be distributed by the liquidators to the shareholders of each sub-fund, category, or class in proportion to the number of shares they hold in the sub-fund, category, or class.

In the case of straightforward liquidation of the Company, the net assets will be distributed to the eligible parties in proportion to the shares held in the Company. Net assets not distributed at the time of the closure of the liquidation and at the latest within a maximum period of nine months effective from the date of the liquidation will be deposited at the Public Trust Office (Caisse de Consignation) until the end of the legally specified limitation period.

The calculation of the net asset value, and all subscriptions, conversions and redemptions of shares in these sub-Funds, categories, or classes will also be suspended throughout the liquidation period.

The General Meeting must be held within forty days of the date on which it is ascertained that the Company's net assets have fallen below the minimum legal threshold of two-thirds or one-quarter, as applicable.

## APPENDIX 5 – PRE-CONTRACTUAL DISCLOSURES FOR THE PRODUCTS REFERRED TO IN ARTICLE 8 AND 9 OF SFDR AND ARTICLE 5 AND 6 OF THE TAXONOMY REGULATION

| Name of the sub-fund | SFDR Category | Minimum proportion of sustainable investments in the meaning of SFDR[1] | To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? | | Does this financial product consider principal adverse impacts on sustainability factors?[3] |
|---|---|---|---|---|---|
| | | | Minimum percentage of investments aligned with the EU Taxonomy[2]<br><br>Including sovereign bonds | Minimum Share of investments in transitional and enabling activities | |
| JPM Screened Green Social & Sustainability IG EUR Bond | Article 9 | 95% | 0% | 0% | YES<br>- All Corporate Mandatory Indicators<br>- All Sovereign Mandatory Indicators<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ESG Enhanced EMU | Article 8 | 60% | 1% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ESG Enhanced EUR Corp Bond | Article 9 | 95% | 1% | 0% | YES<br>All corporate Mandatory Indicators<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Alpha Enhanced EUR Corp Bond | Article 8 | 50% | 0% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Alpha Enhanced Europe | Article 8 | 40% | 0% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Alpha Enhanced Global High Yield | Article 8 | 20% | 0% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Alpha Enhanced USD Corp Bond | Article 8 | 35% | 0% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| EUR Corp Bond SRI PAB 7-10Y | Article 8 | 35% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| EUR Corp Bond SRI PAB | Article 8 | 30% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| EUR Corp Bond SRI PAB 1-3Y | Article 8 | 25% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| EUR Corp Bond SRI PAB 3-5Y | Article 8 | 35% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ECPI Circular Economy Leaders | Article 8 | 50% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 4, 6, and 10 to 14 |

| Name of the sub-fund | SFDR Category | Minimum proportion of sustainable investments in the meaning of SFDR[1] | To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? | | Does this financial product consider principal adverse impacts on sustainability factors?[3] |
|---|---|---|---|---|---|
| | | | Minimum percentage of investments aligned with the EU Taxonomy[2]<br><br>Including sovereign bonds | Minimum Share of investments in transitional and enabling activities | |
| | | | | | Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ECPI Global ESG Blue Economy | Article 8 | 60% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 4, 6, and 10 to 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ECPI Global ESG Hydrogen Economy | Article 8 | 55% | 15% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 4, 6, and 10 to 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Dividend Europe | Article 8 | 35% | 0% | 0% | YES<br>All PAI considered, addressed or mitigated<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ESG Eurozone Biodiversity Leaders PAB | Article 8 | 40% | 0% | 0% | YES<br>- All Corporate Mandatory Indicators<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Low Vol Europe | Article 8 | 50% until 27 April 2026 included<br>45% as from 28 April 2026 | 0% | 0% | YES<br>All PAI considered, addressed or mitigated<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Quality Europe | Article 8 | 45% | 0% | 0% | YES<br>All PAI considered, addressed or mitigated<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Value Europe | Article 8 | 35% | 0% | 0% | YES<br>All PAI considered, addressed or mitigated<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| FTSE EPRA Nareit Developed Europe Green CTB | Article 8 | 30% | 1% | 0% | YES<br>- All Corporate Mandatory Indicators<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Global Aggregate Bond SRI Fossil Free | Article 8 | 10% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Global Corp Bond | Article 8 | 20% | 0% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| JPM Screened EMBI Global Diversified Composite | Article 8 | 0% | 0% | 0% | YES<br>Sovereign Mandatory Indicators n°15 |
| JPM Tilted EMU Government Bond IG | Article 8 | 0% | 0% | 0% | YES<br>Sovereign Mandatory Indicators n°15, 16 |
| JPM Tilted EMU Government Bond IG 1-3Y | Article 8 | 0% | 0% | 0% | YES<br>Sovereign Mandatory Indicators n°15, 16 |
| JPM Tilted EMU Government Bond IG 3-5Y | Article 8 | 0% | 0% | 0% | YES<br>Sovereign Mandatory Indicators n°15, 16 |
| JPM Tilted EMU Government Bond IG 10+ | Article 8 | 0% | 0% | 0% | YES |

| Name of the sub-fund | SFDR Category | Minimum proportion of sustainable investments in the meaning of SFDR[1] | To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? | | Does this financial product consider principal adverse impacts on sustainability factors?[3] |
|---|---|---|---|---|---|
| | | | Minimum percentage of investments aligned with the EU Taxonomy[2]<br><br>Including sovereign bonds | Minimum Share of investments in transitional and enabling activities | |
| | | | | | Sovereign Mandatory Indicators n°15, 16 |
| Low Carbon 100 Europe PAB | Article 8 | 50% | 0% | 0% | YES<br>- Corporate Mandatory Indicators n°1 to 6, 10 to 14<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| Low Carbon 300 World PAB | Article 8 | 40% | 0% | 0% | YES<br>- Corporate Mandatory Indicators n°1 to 6, 10 to 14<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI China Min TE | Article 8 | 10% | 0% | 0% | YES<br>- Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br>- Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Emerging Min TE | Article 8 | 20% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Emerging SRI PAB | Article 8 | 30% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI EMU Min TE | Article 8 | 40% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI EMU SRI PAB | Article 8 | 55% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Europe Min TE | Article 8 | 40% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Europe Small Caps SRI PAB | Article 8 | 35% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Europe SRI PAB | Article 8 | 45% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Japan Min TE | Article 8 | 40% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |

| Name of the sub-fund | SFDR Category | Minimum proportion of sustainable investments in the meaning of SFDR[1] | To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? | | Does this financial product consider principal adverse impacts on sustainability factors?[3] |
|---|---|---|---|---|---|
| | | | Minimum percentage of investments aligned with the EU Taxonomy[2]<br><br>Including sovereign bonds | Minimum Share of investments in transitional and enabling activities | |
| MSCI Japan SRI PAB | Article 8 | 35% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI USA Min TE | Article 8 | 25% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI Pacific ex Japan Min TE | Article 8 | 20% | 0% | 0% | YES<br>Corporate Mandatory Indicators n° 1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI USA SRI PAB | Article 8 | 35% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| MSCI World SRI PAB | Article 8 | 40% | 0% | 0% | YES<br>Corporate Mandatory Indicators n°1 to 11, 13 and 14<br><br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |
| ESG Enhanced EUR Government Bond | Article 8 | 30% | 0% | 0% | YES<br><br>Sovereign Mandatory Indicators n°15 and 16 |
| ESG Enhanced Europe | Article 8 | 60% | 1% | 0% | YES<br>All Corporate Mandatory Indicators<br>Corporate Voluntary Indicators: Environment n°4 and Social n°4 and 9 |

[1] Minimum proportion determined by the Management Company as of the date of the Prospectus

[2] The Management Company relies on third party data providers to disclose such information.

[3] The analysis relating to the PAI that are considered, addressed or mitigated has been established by the Management Company as of the date of the Prospectus and may evolve over time.

# BOOK II

# BNP Paribas Easy ESG Enhanced EUR Corp Bond

## *Investment objective*

The investment objective of the sub-fund is to provide an exposure to the fixed rate euro investment grade corporate bonds market, while taking into account Environmental, Social and Governance (ESG) criteria and having a sustainable investment objective.

## *Benchmark*

The Bloomberg Euro Aggregate Corporate Index (LECPTREU Index) (the "Benchmark") is used for performance comparison.

The sub-fund is Benchmark-constrained as further described in the investment policy.

### *General Description*

The Benchmark is a broad-based benchmark that measures the investment grade, euro-denominated, fixed-rate corporate bond market. Inclusion is based on currency denomination of a bond and not country of risk of the issuer. For inclusion in the Benchmark, securities must be rated investment grade (Baa3/BBB-/BBB- or higher) using the middle rating of Moody's, S&P and Fitch; when a rating from only two agencies is available, the lower is used; when only one agency rates a bond, that rating is used.

### *Benchmark Currency*

The Benchmark currency is EUR.

### *Benchmark Rebalancing*

The composition of the Benchmark is reviewed on a monthly basis.

### *Benchmark Publication*

The Benchmark is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Benchmark, its composition, calculation and rules for monitoring and periodic rebalancing, can be found at www.bloombergindices.com.

## *Investment policy*

The sub-fund's investment universe consists of the securities of the Bloomberg Euro Aggregate Corporate Index (LECPTREU Index) (the "**Benchmark**").

The sub-fund will invest at least 90% of its assets in fixed rate euro-denominated debt securities comprised in the Benchmark and with an investment grade credit rating.

To achieve its investment objective, the sub-fund implements a strategy (the "**Strategy**") which (i) applies a binding and significant ESG integration approach and improves its ESG profile while aiming at reducing its environmental footprint, as measured by greenhouse gas (GHG) intensity, compared to the Benchmark, and (ii) aims at achieving a comparable performance versus the one of the Benchmark (as opposed to aiming at outperforming the latter).

The Strategy is constructed to select securities to consistently achieve especially following targets:

- a portfolio's ESG score higher than the ESG score of the Benchmark after eliminating at least 30% of securities based on ESG Scores ("rating improvement approach"),
- exclusions applied to the sub-fund
- a minimum proportion of 95% of sustainable investments as defined in Article 2 (17) of SFDR
- a portfolio's GHG intensity lower than the GHG intensity of the Benchmark and
- a board gender diversity ratio higher than that of the Benchmark

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The Strategy portfolio may be partially composed of green and/or social and/or sustainability bonds.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the Strategy does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I.

The universe of the sub-fund's portfolio holdings consists of the components of the Benchmark. However, consequently to the application of the ESG integration approach, their weightings may deviate from those of the Benchmark and the sub-fund may not invest in some Benchmark components. As such, the sub-fund is actively managed.

To aim at achieving a comparable performance versus the one of the Benchmark, the sub-fund applies tracking-error, sector and duration controls towards the Benchmark.

The Strategy portfolio may allocate up to 10% to Contingent Convertible bonds.

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund has a sustainable investment objective in accordance with article 9 of SFDR and it will make a minimum of sustainable investments with environmental objectives and/or social objectives.

**INFORMATION ABOUT SUSTAINABLE INVESTMENT RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.06% | None | None | 0.12% | None [3] |
| Classic | 0.30% | None | None | 0.20% | 0.05% |
| Privilege | 0.10% | None | None | 0.12% | 0.05% |
| I | 0.06% | None | None | 0.12% | 0.01% |
| I Plus | 0.03% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com

**Anti-Dilution Mechanisms**

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark with a weighting that represents a significant proportion of the Benchmark (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund launched on January 11, 2024.
- Change of name of the sub-fund from "Sustainable EUR Corporate Bond" into "ESG Enhanced EUR Corporate Bond" on May 21, 2025.
- Change of name of the sub-fund from "ESG Enhanced Corporate Bond" into "ESG Enhanced Corp Bond" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on a daily basis, on the website www.bnpparibas-am.com

***Benchmark Disclaimer***

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# BNP Paribas Easy Alpha Enhanced EUR Corp Bond

## *Investment objective*

The investment objective of the sub-fund is to increase the value of the portfolio of euro denominated corporate bonds, using a systematic security selection approach combining several factor styles, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The Bloomberg Euro Aggregate Corporate Total Return Index (the "**Benchmark**") is used for performance comparison.

The sub-fund is not Benchmark-constrained and its performance may deviate significantly from that of the Benchmark.

## *Investment policy*

The sub-fund is actively managed.

To achieve its investment objective, the sub-fund invests at least 2/3 of its assets in Investment Grade corporate bonds denominated in EUR and/or securities treated as equivalent. In the event the rating criteria are no longer met, the Investment Manager will promptly adjust the composition of the portfolio in the interest of the shareholders.

The sub-fund's portfolio will be built based on a systematic approach, combining several factor criteria such as, but not limited to, (i) cash flow generation (quality), (ii) relative valuation compared to peers (value), (iii) medium term performance trend (momentum) and (iv) low indebtedness ("low-risk").

In addition, the sub-fund applies a binding and significant ESG integration approach and improves its ESG profile while aiming at reducing its environmental footprint, as measured by greenhouse gas (GHG) intensity, compared to the investment universe.

The sub-fund's portfolio is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than that of the investment universe
- a portfolio's GHG intensity at least 20% lower than that of the investment universe. ("extra-financial indicator improvement approach")

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the sub-fund applies sectorial and controversial exclusions, and especially does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, 2) BNP Paribas Asset Management sector policies, as set out in Book I, and 3) companies that are the worst ESG rated per sector, assessed in accordance with the ESG Scores methodology referred in Book I.

***Other investments***

A maximum of 1/3 of the assets may be invested in money market instruments, in Investment Grade structured debt (including ABS/MBS) up to 20%, in any other transferable securities up to 10%, and also, within a limit of 10% of the assets, in UCITS or UCIs.

The sub-fund is not directly invested in equities, but it may hold equities or equity equivalent securities as a result of corporate actions, such as debt restructuring.

The sub-fund's exposure to currencies other than EUR may not exceed 5%.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

# BNP Paribas Easy Alpha Enhanced EUR Corp Bond

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities.
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance fee rate (max)[4] | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.07% | None | None | 0.12% | None [3] |
| UCITS ETF PF | 0.03% | 20%[5] | None | 0.12% | None [3] |
| Classic | 0.35% | None | None | 0.20% | 0.05% |
| Classic PF | 0.20% | 20%[6] | None | 0.20% | 0.05% |
| Privilege | 0.09% | None | None | 0.12% | 0.05% |
| Privilege PF | 0.05% | 20%[7] | None | 0.12% | 0.05% |
| I | 0.07% | None | None | 0.12% | 0.01% |
| I PF | 0.03% | 20%[5] | None | 0.12% | 0.01% |
| I Plus | 0.05% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

*[1] An additional 0.03% fee may be applied for hedged share classes*

*[2] Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*[3] This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*
The complete list of shares offered is available on the website www.bnpparibas-am.com. *[4] Please refer to Book I of this Prospectus for detailed information on the relative Performance fees.*

*Relative Performance Fee with Bloomberg Euro Aggregate Corporate Total Return Index as Benchmark to which the performance of the share class is compared.*

*[5] A Cap of 0.25% is applied to the Performance fees for this share class category.*
*[6] A Cap of 0.40% is applied to the Performance fees for this share class category.*
*[7] A Cap of 0.28% is applied to the Performance fees for this share class category.*

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg, Paris and London (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Alpha Enhanced EUR Corp Bond

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund i launched on June 20, 2025..
- Change of name of the sub-fund from “Alpha Enhanced € Corporate Bond” into “Alpha Enhanced EUR Corp Bond” on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on at least a monthly basis, on the website www.bnpparibas-am.com

# BNP Paribas Easy Alpha Enhanced Europe

## *Investment objective*

The investment objective of the sub-fund is to increase the value of the portfolio of European equities, using a systematic security selection approach combining several factor styles, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The MSCI Europe Index (the "**Benchmark**") is used for performance comparison.

The sub-fund is not Benchmark-constrained and its performance may deviate significantly from that of the Benchmark.

## *Investment policy*

The sub-fund is actively managed.

To achieve its investment objective, the sub-fund invests at least 90% of its assets in equities of companies that have their registered offices or conduct the majority of their business activities in Europe.

The sub-fund's portfolio will be built based on a systematic approach, combining several factor criteria such as, but not limited to, (i) cash flow generation (quality), (ii) relative valuation compared to peers (value), (iii) medium term performance trend (momentum) and (iv) low price variation ("low-volatility").

The sub-fund's portfolio is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than that of the investment universe

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the sub-fund applies sectorial and controversial exclusions, and especially does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I. Core derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met.

***Other investments***

The remaining portion may be invested in equities or equity equivalent securities other than those referred to in the core policy and / or money market instruments. The sub-fund may invest up to 10% of its assets UCITS or UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

# BNP Paribas Easy Alpha Enhanced Europe

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance fee rate (max)[4] | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| UCITS ETF PF | 0.01% | 20%[5] | None | 0.12% | None [3] |
| Classic | 0.55% | None | None | 0.25% | 0.05% |
| Classic PF | 0.35% | 20%[6] | None | 0.25% | 0.05% |
| Privilege | 0.16% | None | None | 0.12% | 0.05% |
| Privilege PF | 0.03% | 20%[7] | None | 0.12% | 0.05% |
| I | 0.13% | None | None | 0.12% | 0.01% |
| I PF | 0.01% | 20%[5] | None | 0.12% | 0.01% |
| I Plus | 0.08% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.[4] *Please refer to Book I of this Prospectus for detailed information on the relative Performance fees*

*Relative Performance Fee with MSCI Europe Index as Benchmark to which the performance of the share class is compared.*

[5] *A Cap of 0.37% is applied to the Performance fees for this share class category.*

[6] *A Cap of 0.60% is applied to the Performance fees for this share class category.*

[7] *A Cap of 0.40% is applied to the Performance fees for this share class category.*

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Levy*

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg, London, Amsterdam, Frankfurt, Zurich and Paris (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the sub-fund with a weighting that represents a significant proportion of the sub-fund are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

[1] *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund launched on July 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on at least a monthly basis, on the website www.bnpparibas-am.com

***Benchmark Disclaimer***

The MSCI Europe Index ("MSCI Index(es)") is used by BNP PARIBAS ASSET MANAGEMENT Europe as the benchmark for the BNP Paribas Easy Alpha Enhanced Europe. MSCI does not in any way sponsor, support, promote or endorse the BNP Paribas Easy Alpha Enhanced Europe. MSCI was not and is not involved in any way in the creation, calculation, maintenance, or review of the BNP Paribas Easy Alpha Enhanced Europe. The MSCI Index(es) was provided on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Index(es) (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Index(es) or the BNP Paribas Easy Alpha Enhanced Europe. No further distribution or dissemination of the MSCI Index(es) (including any related data) is permitted without MSCI's express written consent.

# BNP Paribas Easy Alpha Enhanced Global High Yield

## *Investment objective*

The investment objective of the sub-fund is to increase the value of the portfolio of High Yield bonds, using a systematic security selection approach combining several factor styles, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The Bloomberg Global High Yield Corporate ex Financial ex EM 1-10Y 2% Issuer Cap Index Hedged USD Index (the "**Benchmark**") is used for performance comparison.

The sub-fund is not Benchmark-constrained and its performance may deviate significantly from that of the Benchmark.

## *Investment policy*

The sub-fund is actively managed.

To achieve its investment objective, the sub-fund invests at least 2/3 of its assets in High Yield corporate bonds denominated in multiple currencies and/or securities treated as equivalent.

The sub-fund's portfolio will be built based on a systematic approach, combining several factor criteria such as, but not limited to, (i) cash flow generation (quality), (ii) relative valuation compared to peers (value), (iii) medium term performance trend (momentum) and (iv) low indebtedness ("low-risk").

In addition, the sub-fund applies a binding and significant ESG integration approach and improves its ESG profile while aiming at reducing its environmental footprint, as measured by greenhouse gas (GHG) intensity, compared to the investment universe.

The sub-fund's portfolio is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than that of the investment universe
- a portfolio's GHG intensity at least 20% lower than that of the investment universe ("extra-financial indicator improvement approach")

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the sub-fund applies sectorial and controversial exclusions, and especially does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, 2) BNP Paribas Asset Management sector policies, as set out in Book I, and 3) companies that are the worst ESG rated per sector, assessed in accordance with the ESG Scores methodology referred in Book I.

***Other investments***

A maximum of 1/3 of the assets may be invested in money market instruments, in any other transferable securities up to 10%, and also, within a limit of 10% of the assets, in UCITS or UCIs.

The sub-fund is not directly invested in equities, but it may hold equities or equity equivalent securities as a result of corporate actions, such as debt restructuring.

After hedging, the sub-fund's exposure to currencies other than USD may not exceed 5%.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

# BNP Paribas Easy Alpha Enhanced Global High Yield

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance fee rate (max)[4] | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.23% | None | None | 0.12% | None [3] |
| UCITS ETF PF | 0.16% | 20%[5] | None | 0.12% | None [3] |
| Classic | 0.60% | None | None | 0.20% | 0.05% |
| Classic PF | 0.40% | 20%[6] | None | 0.20% | 0.05% |
| Privilege | 0.26% | None | None | 0.12% | 0.05% |
| Privilege PF | 0.18% | 20%[7] | None | 0.12% | 0.05% |
| I | 0.23% | None | None | 0.12% | 0.01% |
| I PF | 0.16% | 20%[5] | None | 0.12% | 0.01% |
| I Plus | 0.18% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

*[1] An additional 0.03% fee may be applied for hedged share classes*

*[2] Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*[3] This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*
The complete list of shares offered is available on the website www.bnpparibas-am.com. *[4] Please refer to Book I of this Prospectus for detailed information on the relative Performance fees*

*Relative Performance Fee with Bloomberg Global High Yield Corporate ex Financial ex EM 1-10Y 2% Issuer Cap Index Hedged USD Index as Benchmark.*

*[5] A Cap of 0.22% is applied to the Performance fees for this share class category.*
*[6] A Cap of 0.60% is applied to the Performance fees for this share class category.*
*[7] A Cap of 0.25% is applied to the Performance fees for this share class category.*

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 2.00% for subscription or conversion in, and maximum 2.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg, Paris, New York and London (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Alpha Enhanced Global High Yield

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund launched on June 26, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on at least a monthly basis, on the website www.bnpparibas-am.com

# BNP Paribas Easy Alpha Enhanced USD Corp Bond

## *Investment objective*

The investment objective of the sub-fund is to increase the value of the portfolio of USD denominated corporate bonds, using a systematic security selection approach combining several factor styles, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The Bloomberg US Corporate Total Return Index (the "**Benchmark**") is used for performance comparison.

The sub-fund is not Benchmark-constrained and its performance may deviate significantly from that of the Benchmark.

## *Investment policy*

The sub-fund is actively managed.

To achieve its investment objective, the sub-fund invests at least 2/3 of its assets in Investment Grade corporate bonds denominated in USD and/or securities treated as equivalent. In the event the rating criteria are no longer met, the Investment Manager will promptly adjust the composition of the portfolio in the interest of the shareholders.

The sub-fund's portfolio will be built based on a systematic approach, combining several factor criteria such as, but not limited to, (i) cash flow generation (quality), (ii) relative valuation compared to peers (value), (iii) medium term performance trend (momentum) and (iv) low indebtedness ("low-risk").

In addition, the sub-fund applies a binding and significant ESG integration approach and improves its ESG profile while aiming at reducing its environmental footprint, as measured by greenhouse gas (GHG) intensity, compared to the investment universe.

The sub-fund's portfolio is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than that of the investment universe
- a portfolio's GHG intensity at least 20% lower than that of the investment universe. ("extra-financial indicator improvement approach")

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the sub-fund applies sectorial and controversial exclusions, and especially does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, 2) BNP Paribas Asset Management sector policies, as set out in Book I, and 3) companies that are the worst ESG rated per sector, assessed in accordance with the ESG Scores methodology referred in Book I.

***Other investments***

A maximum of 1/3 of the assets may be invested in money market instruments, in investment grade structured debt (including ABS/MBS) up to 20%, in any other transferable securities up to 10%, and also, within a limit of 10% of the assets, in UCITS or UCIs.

The sub-fund is not directly invested in equities, but it may hold equities or equity equivalent securities as a result of corporate actions, such as debt restructuring.

The sub-fund's exposure to currencies other than USD may not exceed 5%.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

# BNP Paribas Easy Alpha Enhanced USD Corp Bond

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance fee rate (max)[4] | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.07% | None | None | 0.12% | None [3] |
| UCITS ETF PF | 0.03% | 20%[5] | None | 0.12% | None [3] |
| Classic | 0.35% | None | None | 0.20% | 0.05% |
| Classic PF | 0.20% | 20%[6] | None | 0.20% | 0.05% |
| Privilege | 0.09% | None | None | 0.12% | 0.05% |
| Privilege PF | 0.05% | 20%[7] | None | 0.12% | 0.05% |
| I | 0.07% | None | None | 0.12% | 0.01% |
| I PF | 0.03% | 20%[5] | None | 0.12% | 0.01% |
| I Plus | 0.05% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

*[1] An additional 0.03% fee may be applied for hedged share classes*

*[2] Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*[3] This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*
The complete list of shares offered is available on the website www.bnpparibas-am.com. *[4] Please refer to Book I of this Prospectus for detailed information on the relative Performance fees*

*Relative Performance Fee with Bloomberg US Corporate Total Return Index as Benchmark to which the performance of the share class is compared.*

*[5] A Cap of 0.25% is applied to the Performance fees for this share class category.*
*[6] A Cap of 0.40% is applied to the Performance fees for this share class category.*
*[7] A Cap of 0.28% is applied to the Performance fees for this share class category.*

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg, Paris and New York (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on 24th December and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Alpha Enhanced USD Corp Bond

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes<br>15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund n launched on June 26, 2025..
- Change of name of the sub-fund from “Alpha Enhanced USD Corporate Bond” into “Alpha Enhanced USD Corp Bond” on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on at least a monthly basis, on the website www.bnpparibas-am.com

# BNP Paribas Easy ESG Enhanced EMU

## *Investment objective*

The investment objective of the sub-fund is to provide exposure to the EMU equity market, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The MSCI EMU NTR Index (M7EM Index) (the "Benchmark") is used for performance comparison.

The sub-fund is Benchmark-constrained as further described in the investment policy.

### *General Description*

The Benchmark captures large and mid-cap representation across Developed Markets (DM) countries within the European Economic and Monetary Union (EMU). The Benchmark covers approximately 85% of the free float-adjusted market capitalization across the EMU Developed Markets equity universe.

The stocks comprising the Benchmark are weighted according to their free float market capitalization.

The Benchmark is used to define the investment universe, for allocation and performance comparison purposes. It does not apply environmental and social criteria.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Benchmark Currency*

The Benchmark currency is EUR.

### *Benchmark Rebalancing*

The composition of the Benchmark is reviewed on a quarterly basis.

### *Benchmark Publication*

The Benchmark is administrated, calculated and published by MSCI Limited.

Additional information on the Benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## *Investment policy*

The sub-fund's investment universe (the "Investment Universe") consists of the securities of the Benchmark.

The sub-fund will invest at least 90% of its assets in equity securities comprised in the Benchmark.

To achieve its investment objective, the sub-fund implements an active strategy (the "Strategy") which consists in applying a binding and significant ESG integration approach to select securities from the Investment Universe with a view to improving the sub-fund's ESG profile compared to that of the Benchmark

The Strategy is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than the ESG score of the Benchmark after eliminating at least 30% of securities based on ESG Scores. ("**rating improvement approach**")
- exclusions applied to the sub-fund,
- a carbon footprint at least 50% lower than that of the Benchmark
- a portfolio's GHG intensity lower than the GHG intensity of the Benchmark
- a portfolio of companies with a board gender diversity ratio higher than that of the Benchmark and
- a minimum proportion of 60% of sustainable investments as defined in Article 2 (17) of SFDR

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

In addition, and in the framework of the implementation of the Strategy, the Investment Universe is reduced by removing companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I.

While the Investment Universe consists of the Benchmark constituents, further to the application of the ESG integration approach and stock selection, the weightings of the sub-fund's portfolio will deviate from those of the Benchmark and the sub-fund may not invest in some of the Benchmark constituents. As such, the sub-fund is actively managed.

In addition though, and as part of the application of the Strategy, the sub-fund uses tracking-error and sector controls to limit performance deviation from the Benchmark. As a result, the sub-fund's returns may be close to those of the Benchmark.

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

# BNP Paribas Easy ESG Enhanced EMU

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT SUSTAINABLE INVESTMENT RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.08% | None | None | 0.12% | None [3] |
| Classic | 0.50% | None | None | 0.25% | 0.05% |
| Privilege | 0.11% | None | None | 0.12% | 0.05% |
| I | 0.08% | None | None | 0.12% | 0.01% |
| I Plus | 0.06% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy ESG Enhanced EMU

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Benchmark is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical Information*

- Sub-fund launched on September 16, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Portfolio holding information*

Portfolio holding information will be provided automatically, on a daily basis, on the website www.bnpparibas-am.com

### *Benchmark Disclaimer*

The MSCI EMU index was used by BNP PARIBAS ASSET MANAGEMENT Europe as the reference universe for selection of the companies used as the basis for the BNP Paribas Easy ESG Enhanced EMU. MSCI does not in any way sponsor, support, promote or endorse the BNP Paribas Easy ESG Enhanced EMU. MSCI was not and is not involved in any way in the creation, calculation, maintenance, or review of the BNP Paribas Easy ESG Enhanced EMU. The MSCI EMU index was provided on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI EMU index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI EMU Index or the BNP Paribas Easy ESG Enhanced EMU.

# BNP Paribas Easy ESG Enhanced EUR Government Bond

## *Investment objective*

The investment objective of the sub-fund is to provide exposure to the fixed rate Eurozone government bonds market, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The J.P. Morgan EMU Investment Grade Index (JPMGEMUI Index) (the "**Benchmark**") is used for performance comparison.

The sub-fund is Benchmark-constrained as further described in the investment policy.

### *General Description*

The Benchmark aims to track the performance of eligible fixed-rate, euro-denominated domestic government debt issued by Eurozone countries with investment grade local currency long term ratings. The Benchmark only includes liquid, bullet, fixed-rate coupon instruments. Floating-rate, inflation linked, and capitalizing/amortizing bonds are not eligible for inclusion. Additionally, bonds with callable, puttable or convertible features are not part of the Benchmark. For inclusion in the Benchmark, countries must have an investment grade (i.e. minimum BBB- or equivalent rating) local currency long term rating from each of the three major rating agencies (S&P, Moody's and Fitch). A country will be excluded from the Benchmark if it receives a non-investment grade rating from any one of the 3 rating agencies.

### *Benchmark Currency*

The Benchmark currency is EUR.

### *Benchmark Rebalancing*

The composition of the Benchmark is reviewed on a monthly basis.

### *Benchmark Publication*

The Benchmark is administrated, calculated and published by JP Morgan Securities PLC.

Further information on the Benchmark, its composition, calculation and rules for monitoring and periodic rebalancing, can be found at www.jpmorgan.com.

## *Investment policy*

The sub-fund's investment universe consists of the securities of the Benchmark.

To achieve its investment objective, the sub-fund implements a strategy (the "**Strategy**") which (i) applies a binding and significant ESG integration approach and improves its ESG profile compared to the Benchmark and (ii) aims at achieving a comparable performance versus the one of the Benchmark (as opposed to aiming at outperforming the latter).

The Strategy is constructed to select securities to consistently achieve the following targets:

- a portfolio's ESG score higher than the ESG score of Benchmark after eliminating at least 20% of securities with the lowest ESG Score ("**rating improvement approach**"), and
- a minimum proportion of 30% of sustainable investments as defined as defined in Article 2 (17) of SFDR.

The ESG integration approach involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution
- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital
- Governance: business rights, corruption, democratic life, political stability, security

ESG scores enable to assist in the ESG evaluation of sovereign issuers.

The Strategy may be partially composed of green and/or social and/or sustainability bonds.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The universe of the sub-fund's portfolio holdings consists of the components of the Benchmark. However, consequently to the application of the ESG integration approach, their weightings may deviate from those of the Benchmark and the sub-fund may not invest in some Benchmark components. As such, the sub-fund is actively managed.

To aim at achieving a comparable performance versus the one of the Benchmark, the sub-fund applies tracking-error, country and duration controls towards the Benchmark.

The sub-fund will invest at least 90% of its assets in fixed rate euro-denominated debt securities issued by countries from the European Economic and Monetary Union of the European Union (the "Eurozone") and comprised in the Benchmark.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Other investments*

The sub-fund may be invested in any other transferable securities, money market instruments, and also, within a limit of 10% of the assets, in UCITS or UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- Have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.11% | None [3] |
| Classic | 0.20% | None | None | 0.20% | 0.05% |
| Privilege | 0.03% | None | None | 0.12% | 0.05% |
| I | 0.01% | None | None | 0.11% | 0.01% |
| I Plus | None | None | None | 0.10% | 0.01% |
| X | None | None | None | 0.10% | 0.01% |

*(1) An additional 0.03% fee may be applied for hedged share classes*

*(2) Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*(3) This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy ESG Enhanced EUR Government Bond

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark with a weighting that represents a significant proportion of the Benchmark (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund launched on January 11, 2024.
- Change of name of the sub-fund from "BNP Paribas Easy Sustainable EUR Government Bond" into "BNP Paribas Easy ESG Enhanced EUR Government Bond" on May 21, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on at least a monthly basis, on the website www.bnpparibas-am.com

# BNP Paribas Easy ESG Enhanced Europe

## *Investment objective*

The investment objective of the sub-fund is to provide exposure to the European equity market, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The MSCI Europe NTR Index (M7EU Index) (the "**Benchmark**") is used for performance comparison.

The sub-fund is Benchmark-constrained as further described in the investment policy.

### *General Description*

The Benchmark captures large and mid-cap representation across Developed Markets (DM) countries in Europe. The index covers approximately 85% of the free float-adjusted market capitalization across the European Developed Markets equity universe.

The stocks comprising the Benchmark are weighted according to their free float market capitalization.

The Benchmark is used to define the investment universe, for allocation and performance comparison purposes. It does not apply environmental and social criteria.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Benchmark Currency*

The Benchmark currency is EUR.

### *Benchmark Rebalancing*

The composition of the Benchmark is reviewed on a quarterly basis.

### *Benchmark Publication*

The Benchmark is administrated, calculated and published by MSCI Limited.

Additional information on the Benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## *Investment policy*

The sub-fund's investment universe (the "Investment Universe") consists of the securities of the Benchmark.

The sub-fund will invest at least 90% of its assets in equity securities comprised in the Benchmark.

To achieve its investment objective, the sub-fund implements an active strategy (the "Strategy") which consists in applying a binding and significant ESG integration approach to select securities from the Investment Universe with a view to improving the sub-fund's ESG profile compared to that of the Benchmark which is a broad market index.

The Strategy is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than the ESG score of the Benchmark after eliminating at least 30% of securities based on ESG Scores. ("**rating improvement approach**")
- exclusions applied to the sub-fund,
- a carbon footprint at least 50% lower than that of the Benchmark
- a portfolio's GHG intensity lower than the GHG intensity of the Benchmark
- a portfolio of companies with a board gender diversity ratio higher than that of the Benchmark and
- a minimum proportion of 60% of sustainable investments as defined in Article 2 (17) of SFDR

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

In addition, and in the framework of the implementation of the Strategy, the Investment Universe is reduced by removing companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I.

While the Investment Universe consists of the Benchmark constituents, further to the application of the ESG integration approach and stock selection, the weightings of the sub-fund's portfolio will deviate from those of the Benchmark and the sub-fund may not invest in some of the Benchmark constituents. As such, the sub-fund is actively managed.

In addition though, and as part of the application of the Strategy, the sub-fund uses tracking-error and sector controls to limit performance deviation from the Benchmark. As a result, the sub-fund's returns may be close to those of the Benchmark.

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7. Derivatives instruments may be used for hedging purposes and / or efficient portfolio management , as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT SUSTAINABLE INVESTMENT RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.08% | None | None | 0.12% | None [3] |
| Classic | 0.50% | None | None | 0.25% | 0.05% |
| Privilege | 0.11% | None | None | 0.12% | 0.05% |
| I | 0.08% | None | None | 0.12% | 0.01% |
| I Plus | 0.06% | None | None | 0.12% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy ESG Enhanced Europe

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark with a weighting that represents a significant proportion of the Benchmark (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical Information*

- Sub-Fund launched on December 4, 2024.
- Change of name of the sub-fund from "Sustainable Europe" to "ESG Enhanced Europe" on May 21, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Portfolio holding information*

Portfolio holding information will be provided automatically, on a daily basis, on the website www.bnpparibas-am.com

### *Benchmark Disclaimer*

The MSCI Europe index was used by BNP PARIBAS ASSET MANAGEMENT Europe as the reference universe for selection of the companies used as the basis for the BNP Paribas Easy ESG Enhanced Europe. MSCI does not in any way sponsor, support, promote or endorse the BNP Paribas Easy ESG Enhanced Europe. MSCI was not and is not involved in any way in the creation, calculation, maintenance, or review of the BNP Paribas Easy ESG Enhanced Europe. The MSCI Europe index was provided on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the BNP Paribas Easy ESG Enhanced Europe.

# BNP Paribas Easy Global Corp Bond

## *Investment objective*

The investment objective of the sub-fund is to provide an exposure to the fixed rate, global developed corporate bonds market, while taking into account Environmental, Social and Governance (ESG) criteria.

## *Benchmark*

The Bloomberg Global Corporate IG Select Index (I37936US Index) (the "**Benchmark**") is used for performance comparison.

The sub-fund is Benchmark-constrained as further described in the investment policy.

### *General Description*

The Benchmark aims to track the performance of investment grade, fixed-rate corporate debt. The Benchmark includes bonds only from developed markets issuers within industrial, utility and financial sector.

### *Benchmark Currency*

The Benchmark is published in USD.

### *Benchmark Rebalancing*

The composition of the Benchmark is reviewed on a monthly basis.

### *Benchmark Publication*

The Benchmark is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Benchmark, its composition, calculation and rules for monitoring and periodic rebalancing, can be found at www.bloomberg.com.

## *Investment policy*

The sub-fund's investment universe consists of the securities of the Benchmark.

The sub-fund will invest at least 90% of its assets in fixed-rate corporate debt securities issued by developed markets issuers and comprised in the Benchmark.

To achieve its investment objective, the sub-fund implements a strategy (the "**Strategy**") which (i) applies a binding and significant ESG integration approach and improves its ESG profile compared to the Benchmark and (ii) aims at achieving a comparable performance versus the one of the Benchmark (as opposed to aiming at outperforming the latter).

The Strategy is constructed to select securities to consistently achieve the following targets:

- a portfolio's ESG score higher than the ESG score of Benchmark, and
- a minimum proportion of 20% of sustainable investments as defined in Article 2 (17) of SFDR.

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The Strategy may be partially composed of green and/or social and/or sustainability bonds.

The extra-financial analysis coverage is at least 90% of the assets of the sub-fund (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the Strategy does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I.

The sub-fund will follow investment grade and OECD criteria for holding securities. Where a security does not comply with the OECD guidelines or is downgraded below investment grade, and is part of the portfolio, this security shall be excluded from the portfolio within less than three months.

The universe of the sub-fund's portfolio holdings consists of the components of the Benchmark. However, consequently to the application of the ESG integration approach, their weightings may deviate from those of the Benchmark and the sub-fund may not invest in some Benchmark components. As such, the sub-fund is actively managed.

To aim at achieving a comparable performance versus the one of the Benchmark, the sub-fund applies tracking-error minimisation, along with country and duration controls towards the Benchmark. In fact, the sub-fund will aim to maintain the ex-ante tracking-error below 0.25% in normal market conditions.provided that the assets under management are sufficient to maintain a high diversification of the portfolio.

### *Other investments*

The sub-fund may be invested in any other transferable securities, money market instruments, and also, within a limit of 10% of the assets, in UCITS or UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met. For the avoidance of doubts the use of derivatives will aim to align portfolio returns with benchmark returns at any time. In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- Have an investment horizon of 3 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| Classic | 0.40% | None | None | 0.20% | 0.05% |
| Privilege | 0.02% | None | None | 0.12% | 0.05% |
| I | 0.01% | None | None | 0.12% | 0.01% |
| I Plus | 0.01% | None | None | 0.10% | 0.01% |
| S | 0.01% | None | None | 0.10% | 0.01% |
| X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com.

## *Swing Pricing*

In addition to the maximum fees payable by the investors, a swing pricing, as defined in Book I, may be applicable.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Benchmark is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark with a weighting that represents a significant proportion of the Benchmark (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Global Corp Bond

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for non-UCITS ETF share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday; or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical Information***

- Sub-Fund is launched on November 25, 2024.
- Change of name of the sub-fund from "Global Corporate Bond" into "Global Corp Bond" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Portfolio holding information***

Portfolio holding information will be provided automatically, on a daily basis, on the website www.bnpparibas-am.com

***Benchmark Disclaimer***

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# BNP Paribas Easy JPM Screened Green Social & Sustainability IG EUR Bond

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the J.P. Morgan Screened Green, Social & Sustainability IG EUR Bond (TR) Index (Bloomberg: JPEIGSSE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track green, social and sustainability bonds denominated in EUR across Developed and Emerging markets with an emphasis on green bonds that are aligned with the Paris Agreement goals (i.e. Certificate Climate Bonds).

Green, Social and Sustainability bonds are part of the impact finance universe. They are designed to provide direct and measurable exposure to activities which benefit social welfare.

Green and Social bonds are voluntarily self-labelled bonds whose proceeds are committed to "Green" or "Social" corporate activities, respectively. Sustainability bonds' proceeds are committed to a combination of both "Green" and "Social" activities.

The objective of the Index is to provide exposure to sovereign, quasi-sovereign, corporate and supranational bonds issued in EUR selected and tilted on the basis of extra-financial criteria. Only investment grade instruments are eligible. An instrument is classified as investment grade when the middle rating from S&P, Moody's, and Fitch is investment grade (i.e. BBB- equivalent or above). When rating from only two agencies is available, the lower has to be investment grade; and when only one agency rates a bond, that single rating has to be investment grade.

The maximum weight of an issuer within the index is limited to 10% on each rebalancing date.

As a first step, the Index selects EUR denominated bonds from the starting universe (J.P. Morgan Green, Social and Sustainability Bond Index) based on minimum amount outstanding and time to maturity criteria.

Only those green bonds that meet the criteria for Climate Bonds Initiative's (CBI) green labelled database will be eligible for inclusion into the Index. Similarly, only social and sustainability bonds that meet the criteria for CBI's Social and Sustainability database will be eligible for inclusion. More information can be found at www.climatebonds.net.

The Index applies an Environmental, Social and Governance ("ESG", such as environmental conventions, labour rights conventions, human rights, etc.), scoring and screening methodology (JESG) to: (i) tilt toward issuers ranked higher on ESG criteria and "Certified Climate Bonds" issues and to underweight or remove issuers that rank lower, (ii) exclude non-sovereign issuers earning revenue from thermal coal, oil sands, tobacco or weapons and those subject to significant violations of the UN Global Compact principles (UNGC).

The type of approach used here is thematic (the index is composed of companies that provide products and services proving concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy). The index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index .

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

***Tracking Error***

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund has a sustainable investment objective in accordance with article 9 of SFDR and it will make a minimum of sustainable investments with environmental objectives and/or social objectives.

**INFORMATION ABOUT SUSTAINABLE INVESTMENT RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)(1) | Performance | Distribution (max) | Other (max) | TAB (2) |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None (3) |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24 and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on December 10, 2021.
- Change of name of the sub-fund from "JPM ESG Green Social & Sustainability IG EUR Bond" into "JPM Screened Green Social & Sustainability IG EUR Bond" on Janauary 9, 2026.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

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# BNP Paribas Easy EUR Corp Bond SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR) Index (Bloomberg: I34235EU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a fixed-rate, investment-grade corporate bond index. The objective of the Index is to provide investors with exposure to investment-grade corporate bonds issued in Euro, which have high standard in terms of ESG values.

As a first step, the Index selects investment grade corporate bonds from the investment universe (Bloomberg Euro Liquid Corporate Index) based on minimum amount outstanding, MSCI ESG rating, as well as Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.), while aiming to comply with the Paris Aligned Benchmark (PAB) objectives of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year

As a result, companies involved in sectors with a potentially high negative ESG impact (such as Tobacco, Civilian Firearms, Military Weapons, Genetically Modified organisms (GMO), fossil fuels), those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All Bloomberg MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of securities for the index.

The Index excludes at least 30% of securities from its investment universe ("selectivity" approach).

The Index may select up to 10% of Contingent Convertible bonds.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, published and calculated by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg MSCI SRI indices, can be found at www.bloombergindices.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management , as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- Have an investment horizon of 4 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Levy*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy EUR Corp Bond SRI PAB

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund created under the name "Bloomberg-Barclays MSCI Euro Corporate SRI". Change of name on November 20, 2018.
- Sub-fund launched on January 15, 2019.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Reduced Fossil Fuel (NTR)" into "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel (NTR)" on February 19, 2021.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel (NTR)" into "Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR)" on July 29, 2022.
- Change of name from "€ Corp Bond SRI Fossil Free" into "€ Corp Bond SRI PAB" on November 22, 2022.
- Change of SFDR categorization from Article 8 to Article 9 on November 22, 2022.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- The sub-fund has been renamed from "BNP PARIBAS Easy € Corp Bond SRI PAB " into "BNP PARIBAS Easy EUR Corp Bond SRI PAB" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment

***Index Disclaimer***

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ALTHOUGH THE INDEX PARTIES SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE INDEXES FROM SOURCES CONSIDERED RELIABLE, NONE OF THE INDEX PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE INDEX PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER OF THE SUB-FUND, OWNERS OF THE SUB-FUND, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE INDEX PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE INDEX PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE INDEX PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO EACH INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE INDEX PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

# BNP Paribas Easy EUR Corp Bond SRI PAB 1-3Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg MSCI 1-3 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR) Index (Bloomberg: I34701 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a fixed-rate, investment-grade corporate bond index. The objective of the Index is to provide investors with exposure to investment-grade corporate bonds with 1-3Y maturity issued in Euro, which have high standard in terms of ESG values.

As a first step, the Index selects investment grade corporate bonds from the investment universe (Bloomberg- Euro Liquid Corporate 1-3 Year index) based on minimum amount outstanding, MSCI ESG rating, as well as Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) .), while aiming to comply with the Paris Aligned Benchmark (PAB) objectives of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year.

As a result, companies involved in sectors with a potentially high negative ESG impact (such as Tobacco, Civilian Firearms, Military Weapons, Genetically Modified organisms (GMO), fossil fuels), those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All Bloomberg- MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of securities for the Index.

The Index excludes at least 30% of securities from its investment universe ("selectivity" approach).

The Index may select up to 10% of Contingent Convertible bonds.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, published and calculated by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg MSCI SRI indices, can be found at www.bloombergindices.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- Have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03%fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy EUR Corp Bond SRI PAB 1-3Y

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 14:45 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on October 04, 2019.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Reduced Fossil Fuel 1-3Y (NTR)" into "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel 1-3Y (NTR)" on February 19, 2021.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel 1-3Y (NTR)" into "Bloomberg MSCI 1-3 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR)" on July 29, 2022.
- Change of name from "€ Corp Bond SRI Fossil Free 1-3Y" into "€ Corp Bond SRI PAB 1-3Y" on November 22, 2022.
- Change of SFDR categorization from Article 8 to Article 9 on November 22, 2022.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- The sub-fund has been renamed from "BNP PARIBAS Easy € Corp Bond SRI PAB 1-3Y " into "BNP PARIBAS Easy EUR Corp Bond SRI PAB 1-3Y" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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ALTHOUGH THE INDEX PARTIES SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE INDEXES FROM SOURCES CONSIDERED RELIABLE, NONE OF THE INDEX PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE INDEX PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER OF THE SUB-FUND, OWNERS OF THE SUB-FUND, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE INDEX PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE INDEX PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE INDEX PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO EACH INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE INDEX PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

## BNP Paribas Easy EUR Corp Bond SRI PAB 1-3Y

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# BNP Paribas Easy EUR Corp Bond SRI PAB 3-5Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg MSCI 3-5 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR) Index (Bloomberg: I34794 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a fixed-rate, investment-grade corporate bond index. The objective of the Index is to provide investors with exposure to investment-grade corporate bonds with 3-5Y maturity issued in Euro, which have high standard in terms of ESG values.

As a first step, the Index selects investment grade corporate bonds from the investment universe (Bloomberg Euro Liquid Corporate 3-5 Year Index) based on minimum amount outstanding, MSCI ESG rating, as well as Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.), while aiming to comply with the Paris Aligned Benchmark (PAB) objectives of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year.

As a result, companies involved in sectors with a potentially high negative ESG impact (such as Tobacco, Civilian Firearms, Military Weapons, Genetically Modified organisms (GMO), fossil fuels), those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All Bloomberg MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of securities for the index.

The Index excludes at least 30% of securities from its investment universe ("selectivity" approach).

The Index may select up to 10% of Contingent Convertible bonds.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, published and calculated by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg MCSI SRI indices, can be found at www.bloombergindices.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companie included in the index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption:***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes<br>14:45 CET for UCITS ETF Share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on October 04, 2019.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Reduced Fossil Fuel 3-5Y (NTR)" into "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel 3-5Y (NTR)" on February 19, 2021.
- Change of index from "Bloomberg-Barclays MSCI Euro Corp SRI Sustainable Ex Fossil Fuel 3-5Y (NTR)" into "Bloomberg MSCI 3-5 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR)" on July 29, 2022.
- Change of name from "€ Corp Bond SRI Fossil Free 3-5Y" into "€ Corp Bond SRI PAB 3-5Y" on November 22, 2022.
- Change of SFDR categorization from Article 8 to Article 9 on November 22, 2022.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- The sub-fund has been renamed from "BNP PARIBAS Easy € Corp Bond SRI PAB 3-5Y " into "BNP PARIBAS Easy EUR Corp Bond SRI PAB 3-5Y" on December 15, 2025.
-

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy EUR Corp Bond SRI PAB 7-10Y

## *Investment objective*

The investment objective is to replicate the performance of the Bloomberg MSCI 7-10 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR) Index (Bloomberg: I38479 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a fixed-rate, investment-grade corporate bond index. The objective of the Index is to provide investors with exposure to investment-grade corporate bonds with 7-10 Y maturity issued in Euro, which have high standard in terms of ESG values.

As a first step, the Index selects investment grade corporate bonds from the investment universe (Bloomberg Euro Corporate 7-10 Year Index) based on minimum amount outstanding, MSCI ESG rating, as well as Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) while aiming to comply with the Paris Aligned Benchmark (PAB) objectives of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year.

As a result, companies involved in sectors with a potentially high negative ESG impact (such as Tobacco, Civilian Firearms, Military Weapons, Genetically Modified organisms (GMO), fossil fuels), those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All Bloomberg MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of securities for the Index.

The Index excludes at least 30% of securities from its investment universe ("selectivity" approach).

The Index may select up to 10% of Contingent Convertible bonds.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, published and calculated by Bloomberg Index Services Limited.

Further information on the index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg MSCI SRI indices, can be found at www.bloombergindices.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by comapnies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments, may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None[3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechamisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1.50% for subscription or conversion in, and maximum 1.00% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy EUR Corp Bond SRI PAB 7-10Y

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes<br>14:45 CET for UCITS ETF Share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on May 7, 2024.
- Change of name of the sub-fund from "BNP Paribas Easy € Corp Bond SRI Fossil Free 7-10Y" to "BNP Paribas Easy € Corp Bond SRI PAB 7-10Y" as of June 2, 2025.
- Change of the Index name from "Bloomberg MSCI 7-10 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel (NTR) Index" to "Bloomberg MSCI 7-10 Year Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (NTR) Index" as of June 2, 2025.
- Change of name of the sub-fund from "BNP Paribas Easy € Corp Bond SRI PAB 7-10Y" to BNP Paribas Easy EUR Corp Bond SRI PAB 7-10Y" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy Dividend Europe

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the BNP Paribas High Dividend Europe (NTR) Index (Bloomberg: BNPIFEDE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is composed of European equities selected on the basis of criteria designed to assess stock's dividend growth potential, dividend stability and credit worthiness, while taking into account an Environmental, Social and Governance (ESG) scoring and GHG intensity data.

The objective of the Index is to provide exposure to the performance of a basket of equities that trade on various exchanges in Europe.

As a first step, the Index removes at least 20% of its reference investment universe (European Equities) based on extra financial criteria (such as exclusion based on controversies, UN Global Compact principles, ESG scoring, etc.) ("selectivity approach").

This Index therefore selects companies closely linked to Dividend criteria with the consideration of ESG rating (reduction of carbon emission, human capital, corporate governance etc.).

Finally, the Index implements an optimisation that aims to find the optimal portfolio exposition to the Dividend Factor subject to several constraints such as turnover, maximum exposure by issuer, tracking error constraints, environmental, social and governance constraints, GHG intensity constraints, etc.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated by BNP Paribas SA (the "Index Sponsor") and calculated and published by Solactive AG.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology of the Index can be found at https://indx.bnpparibas.com .

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in: equities issued by companies included in the Index, and/or equity equivalent securities whose underlying assets are issued by companies included in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

In synthetic replication, ESG criteria are applied on the "substitute basket" as detailed in the section "Investment Policy, Objectives, Restrictions and Technique" of Book I.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[(1)] | Performance | Distribution (max) | Other (max) | TAB [(2)] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [(3)] |

*(1) An additional 0.03% fee may be applied for hedged share classes*

*(2) Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

*(3) This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.08% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Dividend Europe

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:30 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on August 29, 2017.
- Change of name from "Equity Dividend Europe" into "ESG Dividend Europe" on December 1st, 2021.
- Change of index from "BNP Paribas High Dividend Europe Equity (NTR)" into "BNP Paribas High Dividend Europe ESG (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name of the sub-fund from "ESG Dividend Europe" to "Dividend Europe" on May 21, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The Index Sponsor under any circumstances, offer any guarantee as to the results achieved using the Index or the value of the Index at any time on any day. The Index Sponsor draws the attention of owners of the ETF to the disclaimers appearing in Sections 5 and 6 of Part C (General Index Rules) of the Index Rule Book, which is available on the website quoted above.

# BNP Paribas Easy ECPI Circular Economy Leaders

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the ECPI Circular Economy Leaders Equity (NR) Index (Bloomberg: GALPHCEN Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an equally weighted index designed to offer investors exposure to companies in the Global developed market. The objective of the Index is to provide investors with exposure to companies that are the ones best placed to grasp the benefits deriving from the adoption of circular economy models and companies that have been able to translate circular economy principles into business practices. ECPI maintains a research universe of investable instruments built using a proprietary ESG screening methodology.

As a first step, from the research universe, the Index selects securities related to the opportunities offered by the Circular Economy with positive Environmental, Social and Corporate Governance (ESG) ratings such as but not limited to circular supplies, resource recovery, product life extension, sharing platforms, recycling, human capital, corporate governance and based on their efforts to reduce their exposure to coal and unconventional fossil fuels (the "Thematic Universe"). From the Thematic Universe, the selection is then made based on market capitalisation criteria, geographic exposure and average daily traded value of the stock which form the Index Initial Universe.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, weapons and firearms, oil and gas and thermal coal power generation, those subject to significant violations of the international norms (such as UN Global Compact principles, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and ILO Conventions) and those involved in severe ESG-related controversies are excluded from the Index. To be eligible for inclusion in the Index, securities must have a good ESG rating based on the ECPI ESG Rating Methodology – Companies. The eligible securities form the ESG Investable Universe.

The type of approach implemented here is thematic (the Index is composed of companies that provide products and services proving concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy).

The ESG Investable Universe shall at least be reduced by 30% compared to the Index Initial Universe, as a result of the combined application of the aforementioned sector exclusions, normative screening and best-in-universe selection ("selectivity" approach).

The Index then selects the 50 securities that are best placed to grasp the benefits deriving from the adoption of circular economy models and companies that have been able to translate circular economy principles into business practices. The selection is also made respecting the constraints of thematic and sectoral diversification, GHG intensity and gender diversity. In fact, the GHG intensity of the Index shall be lower than the average GHG intensity of the Index Initial Universe. In turn, the Board gender diversity level of the Index shall be higher than the Board gender diversity of the Index Initial Universe.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a half-yearly basis.

### *Index Publication*

The Index is administrated, calculated and published by STOXX Ltd..

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all ECPI indices, can be found at www.ecpigroup.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

# BNP Paribas Easy ECPI Circular Economy Leaders

The sub-fund will achieve exposure to global equities issued by companies that have their registered offices or conduct the majority of their business activities in developed countries and respect Environmental, Social and Corporate Governance (ESG) criteria by investing in a representative sample of the underlying index (the model portfolio).

***Tracking Error***

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## ***Additional information***

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on 24th December and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on April 24, 2019.
- Change of SFDR classification from Article 8 to Article 9 on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1st, 2023.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy ECPI Global ESG Blue Economy

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the ECPI Global ESG Blue Economy (NR) Index (Bloomberg: GALPHBEN Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an equally weighted equity index designed to offer investors exposure to companies in the Global developed market. The objective of the Index is to provide investors with exposure to companies that are best placed to seize the opportunities offered by the sustainable use of ocean resources. ECPI maintains a research universe of investable instruments built using a proprietary ESG screening methodology.

As a first step, from the research universe the Index selects securities related to the sustainable use of ocean resources with positive Environmental, Social and Corporate Governance (ESG) ratings such as but not limited to coastal livelihoods, energy and resources, fish and seafood, pollution reduction, shipping routes, human capital, corporate governance and based on their efforts to reduce their exposure to coal and unconventional fossil fuels (the "Thematic Universe"). From the Thematic Universe, the selection is then made based on market capitalisation criteria, geographic exposure and average daily traded value of the stock which form the Index Initial Universe.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, weapons and firearms, oil and gas and thermal coal power generation, those subject to significant violations of the international norms (such as UN Global Compact principles, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and ILO Conventions) and those involved in severe ESG-related controversies are excluded from the index. To be eligible for inclusion in the Index, securities must have a good ESG rating based on the ECPI ESG Rating Methodology – Companies. The eligible securities form the ESG Investable Universe.

The type of approach implemented here is thematic (the index is composed of companies that provide products and services proving concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy).

The ESG Investable Universe shall at least be reduced by 30% compared to the Index Initial Universe, as a result of the combine application of the aforementioned sector exclusions, normative screening and best-in-universe selection ("selectivity" approach).

The Index then selects the 50 securities that are best placed to seize the opportunities offered by the sustainable use of ocean resources.

The selection is also made respecting the constraints of thematic and sectoral diversification, GHG intensity and gender diversity. In fact, the GHG intensity of the Index shall be lower than the average GHG intensity of the Index Initial Universe. In turn, the Board gender diversity level of the Index shall be higher than the Board gender diversity of the Index Initial Universe.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a half-yearly basis.

### *Index Publication*

The Index is administrated, calculated and published by STOXX Ltd..

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all ECPI indices, can be found at www.ecpigroup.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy ECPI Global ESG Blue Economy

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on 24th December and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on September 14, 2020.
- Change of SFDR classification from Article 8 to Article 9 on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1st, 2023.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences.

### *Index Disclaimer*

The subject product is not sponsored, endorsed, sold or promoted by ECPI and ECPI does not make any representation or warranty, express or implied, or accepts any responsibility, regarding the accuracy or completeness of any materials describing this product or the results to be obtained from purchasing this product, or the advisability of investing in securities, or in futures, or other product, or in this product particularly. Before investing in a product, please read the latest prospectus carefully and thoroughly. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. Commissions and costs have a negative impact on performance. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient.

# BNP Paribas Easy ECPI Global ESG Hydrogen Economy

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the ECPI Global ESG Hydrogen Economy (NR) Index (Bloomberg: GALPHH2N Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an equally weighted index designed to offer investors exposure to companies in the global developed market including large and mid-cap securities. The objective of the Index is to provide investors with exposure to companies most active in the sustainable hydrogen economy. ECPI maintains a research universe of investable instruments built using a proprietary ESG screening methodology.

As a first step, from the research universe, the Index selects securities related to the sustainable hydrogen economy with positive Environmental, Social and Corporate Governance (ESG) ratings such as but not limited to hydrogen, clean energy, human capital, corporate governance and based on their efforts to reduce their exposure to coal and unconventional fossil fuels (the "Thematic Universe"). From the Thematic Universe, the selection is then made based on market capitalisation criteria, geographic exposure and average daily traded value of the stock which form the Index Initial Universe.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, weapons and firearms, oil and gas and thermal coal power generation, those subject to significant violations of the international norms (such as UN Global Compact principles, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and ILO Conventions) and those involved in severe ESG related controversies are excluded from the index. To be eligible for inclusion in the Index, securities must have a good ESG rating based on the ECPI ESG Rating Methodology – Companies. The eligible securities form the ESG Investable Universe.

The type of approach implemented here is thematic (the index is composed of companies that provide products and services proving concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy).

The ESG Investable Universe shall at least be reduced by 30% compared to the Index Initial Universe, as a result of the combine application of the aforementioned sector exclusions, normative screening and best-in-universe selection ("selectivity" approach).

The Index then selects the 40 securities that are most active in the sustainable hydrogen economy. The selection is also made respecting the constraints of thematic diversification, GHG intensity and gender diversity. In fact, the GHG intensity of the Index shall be lower than the average GHG intensity of the Index Initial Universe. In turn, the Board gender diversity level of the Index shall be higher than the Board gender diversity of the Index Initial Universe.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a half-yearly basis.

### *Index Publication*

The Index is administrated, calculated and published by STOXX Ltd..

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all ECPI indices, can be found at www.ecpigroup.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 6 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy ECPI Global ESG Hydrogen Economy

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on 24th December and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three bank Business Days the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 04, 2022.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

The subject product is not sponsored, endorsed, sold or promoted by ECPI and ECPI does not make any representation or warranty, express or implied, or accepts any responsibility, regarding the accuracy or completeness of any materials describing this product or the results to be obtained from purchasing this product, or the advisability of investing in securities, or in futures, or other product, or in this product particularly. Before investing in a product, please read the latest prospectus carefully and thoroughly. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. Commissions and costs have a negative impact on performance. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient.

# BNP Paribas Easy ESG Eurozone Biodiversity Leaders PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Euronext ESG Eurozone Biodiversity Leaders PAB NR Index (Bloomberg: BIOLPAB Index) (the "Index"), including fluctuations, and maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The objective of the Index is to provide investors with exposure to a basket of Eurozone equities selected according to environmental, social and governance (ESG) criteria and based on their impact on biodiversity while aiming to comply with the Paris Aligned Benchmark (PAB) criteria as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe is composed of companies included in the Euronext Eurozone 300 index (the "Parent Index").

To achieve its objective, the Index implements the following methodology:

- Reduction of at least 30% of the initial investment universe ("selectivity approach") by excluding companies based on ESG criteria such as ESG scores, principles of the United Nations Global Compact, controversial and sectorial exclusions (e.g. tobacco, oil equipment & services, fossil-fuel, controversial weapons, etc.)
- Selection of the top 30% ranked companies in each ICB Supersector based on "Corporate Biodiversity Footprint" score as defined by Iceberg Datalab
- Optimization process aiming to minimize the sector weight deviation compared to the Parent Index, while taking into account the following criteria:
    - Minimum of 75% of the Index comprised of issuers within high biodiversity stake sectors
    - Overweight companies having high "biodiversity avoided impact" score. Avoided impact can be defined as the biodiversity impact of a company compared to a reference scenario
    - a percentage of companies that are aligned with the Paris Agreement on climate change higher than in the Parent Index
    - Reduction the Index portfolio greenhouse gas ("GHG") intensity relative to the Parent Index by at least 50%
    - Annual decarbonisation target of at least 7%. It should be noted that this is at the Index level and not at the level of each underlying.

The Index administrator uses company ratings provided by its ESG research and rating partners.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a yearly basis.

### *Index Publication*

The Index is administrated, calculated and published by Euronext Paris.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Euronext indices, can be found at the administrator website: www.euronext.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management , as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance (max) | Distribution (max) | Other (max) | *TAB* [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.23% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.23% | None | None | 0.12% | 0.05% |
| Track I | 0.23% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.18% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.06% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy ESG Eurozone Biodiversity Leaders PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders [1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track Share classes<br>16:30 CET for UCITS ETF Share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (D+3 ) [2] |

[1] *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

[2] *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on August 31, 2022.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

Euronext Amsterdam ("Euronext") has all proprietary rights with respect to the Euronext ESG Eurozone Biodiversity Leaders PAB indices. In no way do Euronext or its direct or indirect subsidiaries sponsor, endorse or are otherwise involved in the issue and offering of this product. Euronext and its direct or indirect subsidiaries shall not be held liable by any party for any inaccuracy in the data on which the Euronext ESG Eurozone Biodiversity Leaders PAB indices are based, for any negligence, errors or omissions in the calculation and/or dissemination of the Euronext ESG Eurozone Biodiversity Leaders PAB indices, or for the manner in which it is applied in connection with the issue and offering of this product.

"Euronext ESG Eurozone Biodiversity Leaders PAB" is registered trademark of Euronext.

# BNP Paribas Easy FTSE EPRA Nareit Developed Europe Green CTB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the FTSE EPRA Nareit Developed Europe Green EU CTB (NTR) Index (Bloomberg: EPRACTBN Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is composed of European listed real estate equities selected from the starting universe (FTSE EPRA Nareit Developed Europe Index). It is designed to provide exposure to listed real estate with strong sustainability metrics.

The Index therefore tilts constituent weights based on three sustainable investment considerations: Green building certification, Energy usage and Carbon Emission data, while aiming to comply with the Climate Transition Benchmark (CTB) targets of reducing greenhouse gas ("GHG") intensity by at least 30% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation. Finally, the Index applies deviation limitations in performance, geographic and industrial-exposure and stock weights. Further details are available in the Index methodology.

The maximum weight of a company within the index is limited to 10% on each rebalancing date.

Companies subject to significant violations of the UN Global Compact principles are excluded from the Index. These principles are classified into four categories: Human Rights, Labour, Environment and Anti-Corruption.

The methodology of this Index allows significant improvements in climate and sustainability characteristics, specifically the increase in floor space under eligible green certified constituents and the reduction in carbon emission par dollar of revenue.

The type of approach implemented here is thematic (the index is composed of companies that provide products and services proving concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy).

The Index Administrator maintains a universe on investable instruments built using the exclusion list on UN controversies and real estate sustainability metrics by a third party real estate data vendor.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed annually in September.

### *Index Publication*

The Index is administrated, calculated and published by FTSE International Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all FTSE Russell indices, can be found at www.ftserussell.com.

## *Investment policy*

The manager of the sub-fund's portfolio will use the index replication method described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similarproportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in real estate products;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)(1) | Performance | Distribution (max) | Other (max) | TAB (2) |
|---|---|---|---|---|---|
| UCITS ETF | 0.28% | None | None | 0.12% | None (3) |
| Track Privilege | 0.28% | None | None | 0.12% | 0.05% |
| Track I | 0.28% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy FTSE EPRA Nareit Developed Europe Green CTB

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[(1)] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:00 CET for STP orders and 12:00 CET for non STP orders for Track share classes;<br>15:30 CET for UCITS ETF on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [(2)] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on October 09, 2019.
- Change of name from “FTSE EPRA Nareit Developed Europe ex UK Green” into “FTSE EPRA Nareit Developed Europe ex UK Green EU CTB” on March 30, 2021.
- Change of index from “FTSE EPRA Nareit Developed Europe ex UK Green (NTR)” into “FTSE EPRA Nareit Developed Europe ex UK Green EU CTB (NTR)” on March 30, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- Change of index from “FTSE EPRA Nareit Developed Europe ex UK Green EU CTB (NTR)” into “FTSE EPRA Nareit Developed Europe Green EU CTB (NTR)” on 23 September 2024.
- Change of name from “FTSE EPRA Nareit Developed Europe ex UK Green CTB” into “FTSE EPRA Nareit Developed Europe Green CTB” on 23 September 2024.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The sub-und has been developed solely by BNP Paribas Asset Management. The sub-fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings, including FTSE International Limited (collectively, the “LSE Group”), European Public Real Estate Association ("EPRA”), or the National Association of Real Estate Investments Trusts (“Nareit”) (and together the “Licensor Parties”). FTSE Russell is a trading name of certain of the LSE Group companies.

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# BNP Paribas Easy Global Aggregate Bond SRI Fossil Free

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg MSCI Global Aggregate ex Fossil Fuel SRI Select (NTR) Index (Bloomberg: I38657US Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a fixed-rate, investment-grade bond index. The objective of the Index is to provide investors with exposure to global, multi-currency investment-grade debt.

As a first step, the Index selects investment grade government and corporate bonds from the investment universe (Bloomberg Global Aggregate Index) based on minimum amount outstanding criteria. The Index then excludes bonds belonging to the controversial sectors as defined by Bloomberg MSCI SRI screen (such as Tobacco, Civilian Firearms, Military Weapons, Genetically Modified organisms (GMO), fossil fuels). A minimum of 20% of the total number of issuers from the eligible universe must be excluded ("selectivity approach"), through further exclusions based on the MSCI ESG rating or controversies scores if necessary.

As a result, companies involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All Bloomberg MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of securities for the Index.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, published and calculated by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg MSCI SRI indices, can be found at www.bloombergindices.com.

## *Investment policy*

***The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.***

### *Full replication*

When employing full replication, the sub-fund will intend to expose at least 90% of its assets in constituents issued by companies or government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will expose at least 90% of its assets in constituents issued by companies and government entities included in the Index

For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 1 year.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 1% for subscription or conversion in, and maximum 1% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy Global Aggregate Bond SRI Fossil Free

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes<br>16:30 CET for UCITS ETF Share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on October 17, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy JPM Screened EMBI Global Diversified Composite

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the JPM Screened, Tilted and Reweighted EMBI Global Diversified Composite (TR) Index (Bloomberg: JESGEMGD index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track liquid US dollar emerging market fixed and floating-rate debt instruments issued by sovereign and quasi-sovereign entities. Quasi sovereign entities are defined as being 100% guaranteed or 100% owned by the government. The objective of the Index is to provide exposure to sovereign and quasi-sovereign bonds issued in USD selected and tilted on the basis of extra-financial criteria. The maximum weight of a country within the index is limited to 10% on each rebalancing date.

As a first step, the Index selects USD denominated bonds from the starting universe (JP Morgan EMBI Global Diversified Composite index) based on minimum amount outstanding and time to maturity criteria. The Index then applies an Environmental, Social and Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights, etc.) to tilt toward issuers ranked higher on ESG criteria, and to underweight or remove issuers that rank lower.

As a result, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

The type of approach used here is Best-effort (a type of ESG selection consisting of giving priority to the issuers demonstrating an improvement in or good prospects for their ESG practices and performance over time.)

The index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on the first business day of every month

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 3 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.35% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.08% | None | None | 0.12% | 0.05% |
| Track I | 0.07% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.) In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 2.00% for subscription or conversion in, and maximum 1.50% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy JPM Screened EMBI Global Diversified Composite

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[(1)] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [(2)] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on February 26, 2016 by transfer of the "Classic", "Privilege", "Privilege H EUR", "I" and "X" categories of the "Track Emerging Markets Bond" sub-fund of the Luxembourg SICAV PARWORLD.
- Change of name from "JPM EMBI Global Diversified Composite" into "JPM ESG EMBI Global Diversified Composite" on September 16, 2019.
- Change of index from "JPM EMBI Global Diversified Composite (TR)" into "JPM ESG EMBI Global Diversified Composite (TR)" on September 16, 2019.
- Change of name of the sub-fund from "JPM ESG EMBI Global Diversified Composite" into "JPM Screened EMBI Global Diversified Composite" on January 9, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy JPM Tilted EMU Government Bond IG

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the J.P. Morgan Tilted EMU Government Bond IG (TR) Index (Bloomberg: GBIEIGTR Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible fixed-rate, euro-denominated domestic government debt issued by Eurozone countries. Securities must be rated investment grade to be eligible.

The objective of the Index is to provide exposure to Eurozone investment grade government bonds issued in Euro selected and tilted on the basis of extra-financial criteria.

As a first step, the Index selects bonds from the starting universe (J.P. Morgan EMU Government Bond IG Index) based on minimum issue size and minimum country debt size criteria. The Index then applies an Environmental, Social and Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights, etc.) to tilt toward issuers ranked higher on ESG criteria, and to underweight or remove issuers that rank lower.

The type of approach used here is Best-effort (a type of ESG selection consisting in giving priority to the issuers demonstrating an improvement in or good prospects for their ESG practices and performance over time.)

The Index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The Index currently includes government bonds issued by Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal and Spain as of the date of this Prospectus.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. , .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and does not commit to make any investment within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None[3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

### Anti-Dilution Levy

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

### Swing Pricing

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 12, 2016 by transfer of the "Classic", "Privilege", "I" and "X" categories of the "Track EMU Government Bond" sub-fund of the Luxembourg SICAV PARWORLD.
- Split of the "UCITS ETF-CAP" share class by 24 on 19/06/2018.
- Change of name from "JPM GBI EMU" to "Bloomberg Barclays Euro Aggregate Treasury on September 16, 2019.
- Change of index from "JPM GBI EMU (TR)" into "Bloomberg-Barclays Euro Aggregate Treasury (TR)" on September 16, 2019.
- Change of name from "Bloomberg Barclays Euro Aggregate Treasury" to "JPM ESG EMU Government Bond IG" on May 31, 2022.
- Change of index from "Bloomberg Barclays Euro Aggregate Treasury" to "J.P. Morgan ESG EMU Government Bond IG" on May 31, 2022.
- Change of name of the sub-fund from "JPM ESG EMU Government Bond IG" into "JPM Tilted EMU Government Bond IG" on January 9, 2026.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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The sub-fund is not sponsored, endorsed, sold or promoted by J.P. Morgan. J.P. Morgan makes no representation or warranty, express or implied, to the owners of the sub-fund or any member of the public regarding the advisability of investing in securities generally, or in the sub-fund particularly, or the ability of the Index to track general bond market performance. J.P. Morgan's only relationship to the Company is the licensing of the Index which is determined, composed and calculated by J.P. Morgan without regard to the Company or the sub-fund. J.P. Morgan has no obligation to take the needs of the Company or the owners of the Sub-Fund into consideration in determining, composing or calculating the index. J.P. Morgan is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the sub-fund to be issued or in the determination or calculation of the equation by which the Sub-Fund is to be converted into cash. J.P. Morgan has no obligation or liability in connection with the administration, marketing or trading of the sub-fund.

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# BNP Paribas Easy JPM Tilted EMU Government Bond IG 1-3Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the J.P. Morgan Tilted EMU Government Bond IG 1-3 Year (TR) Index (Bloomberg: GBIEIG13 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible fixed-rate, euro-denominated domestic government debt issued by Eurozone countries. Securities must be rated investment grade and mature in the next 1 to 3 years to be eligible.

The objective of the Index is to provide exposure to Eurozone investment grade government bonds issued in Euro selected and tilted on the basis of extra-financial criteria.

As a first step, the Index selects bonds from the starting universe (J.P. Morgan EMU Government Bond IG 1- 3 Year Index) based on maturity, minimum issue size and minimum country debt size criteria. The Index then applies an Environmental, Social and Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights, etc.).

The type of approach used here is Best-effort (a type of ESG selection consisting in giving priority to the issuers demonstrating an improvement in or good prospects for their ESG practices and performance over time).

The Index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The Index currently includes government bonds issued by Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal and Spain as of the date of this Prospectus.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will issued by government entities invest at least 90% of its assets in constituents included in the Index.

*For more information about the replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I**.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 1 year.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.20% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders and 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday,or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on February 2, 2023.
- Change of name of the sub-fund from "JPM ESG EMU Government Bond IG 1-3Y" into JPM Tilted EMU Government Bond IG 1-3Y" on January 9, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy JPM Tilted EMU Government Bond IG 3-5Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the J.P. Morgan Tilted EMU Government Bond IG 3- 5 Year (TR) Index (Bloomberg: GBIEIG35 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible fixed-rate, euro-denominated domestic government debt issued by Eurozone countries. Securities must be rated investment grade and mature in the next 3 to 5 years to be eligible.

The objective of the Index is to provide exposure to Eurozone investment grade government bonds issued in Euro selected and tilted on the basis of extra-financial criteria.

As a first step, the Index selects bonds from the starting universe (J.P. Morgan EMU Government Bond IG 3- 5 Year Index) based on maturity, minimum issue size and minimum country debt size criteria. The Index then applies an Environmental, Social and Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights, etc.) to tilt toward issuers ranked higher on ESG criteria, and to underweight or remove issuers that rank lower.

The type of approach used here is Best-effort (a type of ESG selection consisting in giving priority to the issuers demonstrating an improvement in or good prospects for their ESG practices and performance over time.)

The Index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The Index currently includes government bonds issued by Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal and Spain as of the date of this Prospectus.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks.
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None[3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders and 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on October 09, 2019.
- Change of name from "Bloomberg Barclays Euro Aggregate Treasury 3-5Y" into "JPM ESG EMU Government Bond IG 3-5Y" on December 15, 2020.
- Change of index from "Bloomberg Barclays Euro Aggregate Treasury 3-5 yr (TR)" into "J.P. Morgan ESG EMU Government Bond IG 3- 5 Year (TR)" on December 15, 2020.
- Change of name of the sub-fund from "JPM ESG EMU Government Bond IG 3-5Y" into "JPM Tilted EMU Government Bond IG 3-5Y" on January 9, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy JPM Tilted EMU Government Bond IG 10Y+

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the J.P. Morgan Tilted EMU Government Bond IG 10+ Year (TR) Index (Bloomberg: GBIEGI10 Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible fixed-rate, euro-denominated domestic government debt issued by Eurozone countries. Securities must be rated investment grade to be eligible.

The objective of the Index is to provide exposure to Eurozone investment grade government bonds issued in Euro selected and tilted on the basis of extra-financial criteria.

As a first step, the Index selects bonds from the starting universe (J.P. Morgan EMU Government Bond IG 10+ Year index) based on maturity, minimum issue size and minimum country debt size criteria. The Index then applies an Environmental, Social and Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights, etc.) to tilt toward issuers ranked higher on ESG criteria, and to underweight or remove issuers that rank lower.

The type of approach used here is Best-effort (a type of ESG selection consisting in giving priority to the issuers demonstrating an improvement in or good prospects for their ESG practices and performance over time.)

The index administrator uses ESG ratings provided by its ESG research and rating partners to determine, among other things, bonds eligibility.

The Index currently includes government bonds issued by Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal and Spain as of the date of this Prospectus.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by J.P. Morgan Securities PLC.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all J.P Morgan ESG indices, can be found at www.jpmorgan.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

The sub-fund invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as of November 19, 2024.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus*.

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 3 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max) | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None[3] |
| Track Classic | 0.30% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.02% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.12% | 0,01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders and 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

*(1) Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

*(2) If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- The sub-fund launched on April 26, 2024.
- Change of name of the sub-fund from "JPM ESG EMU Government Bond IG 10Y+" into" JPM Tilted EMU Government Bond IG 10Y+" on January 9, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy Low Carbon 100 Europe PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Euronext Low Carbon 100 Europe PAB (NTR) Index (Bloomberg: LC1NR index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The objective of the Index is to provide investors with exposure to a basket of a target number of 100 European equities selected according to environmental, social and governance (ESG) criteria and based on the opportunities and risks associated with the climate transition including a minimum proportion of companies aligned with the Taxonomy Regulation, while aiming to comply with the Paris Aligned Benchmark (PAB) criteria as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe is composed of companies included in the Euronext Europe 500 Index (the "Parent Index").

To achieve its objective, the Index implements the following methodology:

- Reduction of at least 30% of the initial investment universe ("selectivity approach") by excluding companies based on ESG criteria such as "Social" and "Governance" scores, principles of the United Nations Global Compact, controversial and sectorial exclusions (e.g. tobacco, oil equipment & services, fossil-fuel, controversial weapons, etc.)
- The Index portfolio must be composed of:
  - A first pocket composed of at least 5% and up to 10% of securities with a 20% alignment with some of the environmental objectives of the Taxonomy Regulation (e.g. climate change mitigation, climate change adaptation)
  - A second pocket determined according to "temperature and/or climate scores" ranking
- Optimization process aiming to minimize the sector weight deviation compared to the Parent Index, while taking into account the following criteria:
  - A percentage of companies that are aligned with the Paris Agreement on climate change higher in the Index portfolio than in the Parent Index
  - Reduction the Index portfolio greenhouse gas ("GHG") intensity relative to the Parent Index by at least 50%
  - Annual decarbonisation target of at least 7%. It should be noted that this is at the Index level and not at the level of each underlying.

The Index provider uses company ratings provided by its ESG research and rating partners.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed up to a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by Euronext Paris.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Euronext indices, can be found at the administrator website: www.euronext.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.15% | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.06% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy Low Carbon 100 Europe PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:30 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on June 2, 2017 by transfer of the "Classic EUR" unit category of the French FCP "BNP Paribas Easy Low Carbon 100 Europe UCITS ETF".
- Change of name from "Low Carbon 100 Europe" into "Low Carbon 100 Europe PAB" on December 15, 2020.
- Change of index from "Low Carbon 100 Europe (NTR)" into "Low Carbon 100 Europe PAB (NTR)" on December 15, 2020
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

Euronext Amsterdam ("Euronext") has all proprietary rights with respect to the Euronext Low Carbon 100 Europe PAB, Euronext Low Carbon 100 Europe PAB Net Total Return and Euronext Low Carbon 100 Europe PAB Gross Total Return indices. In no way do Euronext or its direct or indirect subsidiaries sponsor, endorse or are otherwise involved in the issue and offering of this product. Euronext and its direct or indirect subsidiaries shall not be held liable by any party for any inaccuracy in the data on which the Euronext Low Carbon 100 Europe PAB, Euronext Low Carbon 100 Europe PAB Net Total Return and Euronext Low Carbon 100 Europe PAB Gross Total Return indices are based, for any negligence, errors or omissions in the calculation and/or dissemination of the Euronext Low Carbon 100 Europe PAB, Euronext Low Carbon 100 Europe PAB Net Total Return and Euronext Low Carbon 100 Europe PAB Gross Total Return indices, or for the manner in which it is applied in connection with the issue and offering of this product. "Low Carbon 100 Europe PAB" and "LC 100 Europe PAB" are registered trademarks of Euronext.

# BNP Paribas Easy Low Carbon 300 World PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Euronext Low Carbon 300 World PAB (NTR) Index (Bloomberg: LC300W index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The objective of the Index is to provide investors with exposure to a basket of a target number of 100 European equities selected according to environmental, social and governance (ESG) criteria and based on the opportunities and risks associated with the climate transition including a minimum proportion of companies aligned with the Taxonomy Regulation, while aiming to comply with the Paris Aligned Benchmark (PAB) criteria as defined in the framework of the European Benchmark Regulation. The Index initial investment universe is composed of companies included in the Euronext World index (the "Parent Index").

To achieve its objective, the Index implements the following methodology:

- Reduction of at least 30% of the initial investment universe ("selectivity approach") by excluding companies based on ESG criteria such as "Social" and "Governance" scores, principles of the United Nations Global Compact, controversial and sectorial exclusions (e.g. tobacco, oil equipment & services, fossil-fuel, controversial weapons, etc.)
- The Index portfolio must be composed of:
  - A first pocket composed of at least 5% and up to 10% of securities with a 20% alignment with some of the environmental objectives of the Taxonomy Regulation (e.g. climate change mitigation, climate change adaptation)
  - A second pocket determined according to "temperature and/or climate scores" ranking
- Optimization process aiming to minimize the sector weight deviation compared to the Parent Index, while taking into account the following criteria:
  - A percentage of companies that are aligned with the Paris Agreement on climate change higher in the Index portfolio than in the Parent Index
  - Reduction the Index portfolio greenhouse gas ("GHG") intensity relative to the Parent Index by at least 50%
  - Annual decarbonisation target of at least 7%. It should be noted that this is at the Index level and not at the level of each underlying.

The Index administrator uses company ratings provided by its ESG research and rating partners.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed up to a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by Euronext Paris.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Euronext indices, can be found at the administrator website: www.euronext.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility:
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy Low Carbon 300 World PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on June 11, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

Euronext Amsterdam ("Euronext") has all proprietary rights with respect to the Euronext Low Carbon 300 World PAB indices. In no way do Euronext or its direct or indirect subsidiaries sponsor, endorse or are otherwise involved in the issue and offering of this product. Euronext and its direct or indirect subsidiaries shall not be held liable by any party for any inaccuracy in the data on which the Euronext Low Carbon 300 World PAB indices are based, for any negligence, errors or omissions in the calculation

and/or dissemination of the Euronext Low Carbon 300 World PAB indices, or for the manner in which it is applied in connection with the issue and offering of this product.

"Low Carbon 300 World PAB" and "LC 300 World PAB" are registered trademarks of Euronext.

# BNP Paribas Easy Low Vol Europe

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the BNP Paribas Low Vol Europe (NTR) Index (Bloomberg: BNPIFELE index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is composed of European equities whose historical volatility is low, while taking into account an Environmental, Social and Governance (ESG) scoring and GHG intensity data.

The objective of the Index is to provide exposure to the performance of a basket of equities that trade on various exchanges in Europe.

As a first step, the Index removes at least 20% of its reference investment universe (European Equities) based on extra financial criteria (such as exclusion based on controversies, UN Global Compact principles, ESG scoring, etc.) ("selectivity approach").

This Index therefore selects companies closely linked to Low Volatility criteria with the consideration of ESG rating (reduction of carbon emission, human capital, corporate governance etc.).

Finally, the Index implements an optimisation that aims to find the optimal portfolio exposition to the Low Volatility Factor subject to several constraints such as turnover, maximum exposure by issuer, tracking error constraints, environmental, social and governance constraints, GHG intensity constraints, etc.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated by BNP Paribas SA (the "Index Sponsor"), and calculated and published by Solactive AG.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology of the Index can be found athttps://indx.bnpparibas.com

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

In synthetic replication, ESG criteria are applied on the "substitute basket" as detailed in the section "Investment Policy, Objectives, Restrictions and Technique" of Book I.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[(1)] | Performance | Distribution (max) | Other (max) | TAB [(2)] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [(3)] |
| Track X | 0.00% | None | None | 0.12% | 0.01% |

*(1) An additional 0.03% fee may be applied for hedged share classes*

*(2) Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*(3) This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.08% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise

decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders and 12:00 CET for non STP orders for Track share classes; 15:30 CET for UCITS ETF on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on June 7, 2016.
- Change of name from "Equity Low Vol Europe" into "ESG Low Vol Europe" on December 1st, 2021.
- Change of index from "BNP Paribas Equity Low Vol Europe (TR)" into "BNP Paribas Low Vol Europe ESG (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name of the sub-fund from "ESG Low Vol Europe" to "Low Vol Europe" on May 21, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The Index Sponsor under any circumstances, offer any guarantee as to the results achieved using the Index or the value of the Index at any time on any day. The Index Sponsor draws the attention of owners of the ETF to the disclaimers appearing in Sections 5 and 6 of Part C (General Index Rules) of the Index Rule Book, which is available on the website quoted above.

# BNP Paribas Easy MSCI China Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI China Select Filtered Min TE (NTR) Index (Bloomberg: MXCEFMNU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Chinese equity index including large and mid-cap securities. The objective of the Index is to provide investors with exposure to Chinese companies, which have high standard in terms of sustainable values, while minimizing the Tracking Error compared to the MSCI China index (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.), and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

In addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- an ESG score higher than the ESG score of the Parent Index and
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aim to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in shares or units issued by UCITS or other UCIs and 40% of its net assets in "China A-Shares" via the Stock Connect and/or in "China B-Shares". Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking to add a single country holding to an existing diversified portfolio;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 6 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None[3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.30% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on June 30, 2021.
- Change of name from "MSCI China Select SRI S-Series 10% Capped" into "MSCI China ESG Filtered Min TE" on November 26th, 2024.
- Change of name from MSCI China ESG Filtered Min TE into MSCI China Min TE on March 13th, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Emerging Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Emerging Select Filtered Min TE (NTR) Index (Bloomberg: MXEMEFMT Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an emerging markets equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared to the MSCI Emerging Markets Index. (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

In addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- An ESG score higher than the ESG score of the Parent Index and
- A GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aims to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the extra-financial (Environmental, Social and Governance (ESG)) criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other Investments***

The sub-fund will not invest more than 10% of its net assets in shares or units issued by UCITS or other UCIs and 40% of its net assets in "China A-Shares" via the Stock Connect and/or in "China B-Shares".

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.70% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Emerging Min TE

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on March 4, 2016, with the name "MSCI Emerging Markets ex Controversial Weapons", by transfer of the "Classic", "Privilege", "I", "I GBP" and "X" categories of the "Track Emerging Markets" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share categories into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Current name first applied on 11 September 2017.
- Split of the UCITS ETF EUR – CAP share class by 10 on 19/06/2018.
- Change of name from "MSCI Emerging Markets ex CW" into "MSCI Emerging ESG Filtered Min TE" on December 1st, 2021.
- Change of index from "MSCI Emerging Markets ex Controversial Weapons (NTR)" into "MSCI Emerging ESG Filtered Min TE (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name from "MSCI Emerging ESG Filtered Min TE" into "MSCI Emerging Min TE" on March 13th, 2025.
- Change of the index name from "MSCI Emerging ESG Filtered Min TE (NTR)" into "MSCI Emerging Select Filtered Min TE (NTR)" on March 13th, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Emerging SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Emerging SRI Select PAB (NTR) Index (Bloomberg: M7CXESC Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an emerging markets equity index with an objective to provide investors with exposure to emerging markets companies, which have high standard in terms of Environmental, Social and Governance (ESG) values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing GHG intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI Emerging Markets Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index. The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the three index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

***The remainder of the assets may be invested in equities or equity equivalent securities other than those referred to in the core policy, Money Market Instruments.***

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in shares or units issued by UCITS or other UCIs and 40% of its net assets in "China A-Shares" via the Stock Connect and/or in "China B-Shares".

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

In synthetic replication, ESG criteria are applied on the "substitute basket" as detailed in the section "Investment Policy, Objectives, Restrictions and Technique" of Book I.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.18% | None | None | 0.12% | 0.05% |
| Track I | 0.18% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.) In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.70% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Emerging SRI PAB

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on March 22, 2016 via the "Track Classic" share category.
- Renaming of the "Track I" share category into "UCITS ETF" share category on May 31, 2016.
- Change of name from "MSCI Emerging Markets SRI" into "MSCI Emerging SRI S-Series 5% Capped" on September 18, 2019.
- Change of index from "MSCI Emerging Markets SRI (NTR)" into "MSCI Emerging SRI S-Series 5% Capped (NTR)" on September 18, 2019.
- Change of name from "MSCI Emerging SRI S-Series 5% Capped" into "MSCI Emerging SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI Emerging SRI S-Series 5% Capped (NTR)" into "MSCI Emerging SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- Change of name from "MSCI Emerging SRI S-Series PAB 5% Capped" into "MSCI Emerging SRI PAB" on March 13th, 2025.
- Change of the index name from "MSCI Emerging SRI S-Series PAB 5% Capped (NTR) Index) into "MSCI Emerging SRI PAB (NTR) Index" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

## BNP Paribas Easy MSCI Emerging SRI PAB

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI EMU Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI EMU Select Filtered Min TE (NTR) Index (Bloomberg: MXEFTENE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Eurozone equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared to MSCI EMU Index (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

In addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- an ESG score higher than the ESG score of the Parent Index and
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aims to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the extra-financial (Environmental, Social and Governance (ESG)) criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on February 12, 2016, with the name "MSCI EMU ex Controversial Weapons", by transfer of the "Privilege", "I" and "X" categories of the "Track EMU" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Change of name into "MSCI EMU ex CW" on 11 September 2017.
- Split of the "UCITS ETF-CAP" share class by 18 on 22/06/2018.
- Change of name from "MSCI EMU ex CW" into "MSCI EMU ESG Filtered Min TE" on April 30, 2021.
- Change of index from "MSCI EMU ex Controversial Weapons (NTR)" into "MSCI EMU ESG Filtered Min TE (NTR)" on April 30, 2021.
- Change of name from "MSCI EMU ESG Filtered Min TE" into "MSCI EMU Min TE" on March 13th, 2025.
- Change of the index name from "MSCI EMU ESG Filtered Min TE (NTR)" into "MSCI EMU Select Filtered Min TE (NTR)" on March 13th, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI EMU SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI EMU SRI Select PAB (NTR) Index (Bloomberg: M7CXEMS Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Eurozone equity index with an objective to provide investors with exposure to Eurozone companies, which have high standard in terms of Environmental, Social and Governance (ESG) values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing GHG intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation. The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI EMU Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index.

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the equities composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index (the model portfolio).

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Change of name from "MSCI EMU SRI Capped 5%" into "MSCI EMU SRI S-Series 5% Capped" on September 16th, 2019.
- Change of index from "MSCI EMU SRI 5% Capped Index" into "MSCI EMU SRI S-Series 5% Capped index" on September 16th, 2019.
- Sub-fund launched on September 27, 2019.
- Change of name from "MSCI EMU SRI S-Series 5% Capped" into "MSCI EMU SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI EMU SRI S-Series 5% Capped (NTR)" into "MSCI EMU SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1st, 2023.
- Change of the index name from "MSCI EMU SRI S-Series Select PAB 5% Capped (NTR) Index" into "MSCI EMU SRI Select PAB (NTR) Index" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Europe Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Europe Select Filtered Min TE (NTR) Index (Bloomberg: MXEUEFMT index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a European equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared MSCI Europe Index (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.hhIn addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- an ESG score higher than the ESG score of the Parent Index
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aims to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the extra-financial (Environmental, Social and Governance (ESG)) criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other Investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Europe Min TE

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 12, 2016, with the name "MSCI Europe ex Controversial Weapons", by transfer of the "Classic", "Privilege", "I" and "X" categories of the "Track Europe" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Current name first applied on 11 September 2017.
- Split of the "UCITS ETF-CAP" share class by 17 on 29/06/2018.
- Change of name from "MSCI Europe ex CW" into "MSCI Europe ESG Filtered Min TE" on December 1st, 2021.
- Change of index from "MSCI Europe ex Controversial Weapons (NTR)" into "MSCI Europe ESG Filtered Min TE (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name from "MSCI Europe ESG Filtered Min TE" into "MSCI Europe Min TE" on March 13th, 2025.
- Change of the index name from "MSCI Europe ESG Filtered Min TE (NTR)" into "MSCI Europe Select Filtered Min TE" on March 13th, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Europe Small Caps SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Europe Small Caps SRI Select PAB (NTR) Index (Bloomberg: MXEUSSNE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a European equity index with an objective to provide investors with exposure to European small-cap companies, which have high standard in terms of Environmental, Social and Governance (ESG) values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing GHG greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation. The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI Europe Small Caps Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the index.

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility.
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.08% | None | None | 0.12% | 0.05% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on February 19, 2016, with the name "MSCI Europe Small Caps ex Controversial Weapons", by transfer of the "Privilege", "I" and "X" categories of the "Track Europe Small Cap" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Change of name into "MSCI Europe Small Caps ex CW" on 11 September 2017.
- Change of name into "MSCI Europe Small Caps SRI S-Series 5% Capped" on April 20, 2020.
- Change of index from "MSCI Europe Small Caps ex Controversial Weapons (NTR)" into "MSCI Europe Small Caps SRI S-Series 5% Capped (NTR)" on April 20, 2020.
- Change of name from "MSCI Europe Small Caps SRI S-Series 5% Capped" into "MSCI Europe Small Caps SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI Europe Small Caps SRI S-Series 5% Capped (NTR)" into "MSCI Europe Small Caps SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- Change of name from "MSCI Europe Small Caps SRI S-Series PAB 5% Capped" into "MSCI Europe Small Caps SRI PAB" on March 13th, 2025.
- Change of name from of the index from "MSCI Europe Small Caps SRI S-Series PAB 5% Capped (NTR) Index" into "MSCI Europe Small Caps SRI Select PAB (NTR) Index" on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Europe SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Europe SRI Select PAB (NTR) Index (Bloomberg: M7CXESS Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a European equity index with an objective to provide investors with exposure to European companies, which have high standard in terms of Environmental, Social and Governance (ESG) values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing GHG intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI Europe Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).eeThe ESG analysis is carried out on all the equities composing the Index.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similarproportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

Anti-Dilution Levy

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

Swing Pricing

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Europe SRI PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on March 13, 2018.
- Change of name from "MSCI Europe SRI" into "MSCI Europe SRI S-Series 5% Capped" on September 16, 2019.
- Change of index from "MSCI Europe SRI (NTR)" into "MSCI Europe SRI S-Series 5% Capped (NTR)" on September 16, 2019.
- Change of name from "MSCI Europe SRI S-Series 5% Capped" into "MSCI Europe SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI Europe SRI S-Series 5% Capped (NTR)" into "MSCI Europe SRI S-Series PAB 5% Capped (NTR)" on December 1, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 01, 2023.
- Change of name from "MSCI Europe SRI S-Series PAB 5% Capped" into "MSCI Europe SRI PAB" on March 13th, 2025.
- Change of the index name from "MSCI Europe SRI S-Series PAB 5% Capped (NTR) Index" into "MSCI Europe SRI Select PAB (NTR) Index" on December 15, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Japan Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Japan Select Filtered Min TE (NTR) Index (Bloomberg: MXJPEFMT Index) (the "Index), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Japanese equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared to the MSCI Japan Index (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the "Index" selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

In addition the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error.

The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- an ESG score higher than the ESG score of the Parent Index and
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aim to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the optimised full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking to add a single country holding to an existing diversified portfolio;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Japan Min TE

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 26, 2016, with the name "MSCI Japan ex Controversial Weapons", by transfer of the "Classic", "Privilege", "I", "IH EUR" and "X" categories of the "Track Japan" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31st, 2016.
- Current name first applied on September, 11th 2017.
- Split of the "UCITS ETF H EUR-CAP" by 11 on June, 19th 2018.
- Split of the "UCITS ETF-CAP" share class by 14 on 19/06/2018.
- Change of name from "MSCI Japan ex CW" into "MSCI Japan ESG Filtered Min TE" on December 1st, 2021.
- Change of index from "MSCI Japan ex Controversial Weapons (NTR)" into "MSCI Japan ESG Filtered Min TE (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name from "MSCI Japan ESG Filtered Min TE" into "MSCI Japan Min TE" on March 13th, 2025.
- Change of the index name from "MSCI Japan ESG Filtered Min TE (NTR)" into "MSCI Japan Select Filtered Min TE (NTR)" on March 13th, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

## BNP Paribas Easy MSCI Japan Min TE

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Japan SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Japan SRI Select PAB (NTR) Index (Bloomberg: M7CXESE Index) (the "Index"), published in EUR, including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Japanese equity index with an objective to provide investors with exposure to Japanese companies, which have high standard in terms of Environmental, Social and Governance (ESG) values while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing GHG intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI Japan Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index.

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking to add a single country holding to an existing diversified portfolio;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Japan SRI PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, , the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on March 13, 2018.
- Change of name from "MSCI Japan SRI" into "MSCI Japan SRI S-Series 5% Capped" on September 16, 2019.
- Change of index from "MSCI Japan SRI (NR)" into "MSCI Japan SRI S-Series 5% Capped (NTR)" on September 16, 2019.
- Change of name from "MSCI Japan SRI S-Series 5% Capped" into "MSCI Japan SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI Japan SRI S-Series 5% Capped (NTR)" into "MSCI Japan SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1st, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1, 2023.
- Change of name from "MSCI Japan SRI S-Series PAB 5% Capped" into "MSCI Japan SRI PAB" on March 13th, 2025.
- Change of the index name from "MSCI Japan SRI S-Series PAB 5% Capped (NTR) Index" into "MSCI Japan SRI Select PAB (NTR) Index" on December 15, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Pacific ex Japan Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Pacific ex Japan Select Filtered Min TE (NTR) Index (Bloomberg: MXPJEFMT Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Pacific ex Japan equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared to MSCI Pacific ex Japan Index (the "Parent Index"). The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

- As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index. In addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:
- An ESG score higher than the ESG score of the Parent Index and
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aims to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.15% for subscription or conversion in, and maximum 0.15% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI Pacific ex Japan Min TE

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 19, 2016, with the name "MSCI Pacific ex Japan ex Controversial Weapons", by transfer of the "Classic", "Privilege", "I", "I GBP" and "X" categories of the "Track Pacific ex Japan" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Current name first applied on 11 September 2017.
- Change of name from "MSCI Pacific ex Japan ex CW" into "MSCI Pacific ex Japan ESG Filtered Min TE" on December 1st, 2021.
- Change of index from "MSCI Pacific ex Japan ex Controversial Weapons (NTR)" into "MSCI Pacific ex Japan ESG Filtered Min TE (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name from "MSCI Pacific ex Japan ESG Filtered Min TE" into "MSCI Pacific ex Japan Min TE" on March 13th, 2025.
- Change of the index name from "MSCI Pacific ex Japan ESG Filtered Min TE (NTR)" into "MSCI Pacific ex Japan Select Filtered Min TE" on March 13th, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI USA Min TE

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI USA Select Filtered Min TE EUR (NTR) Index (Bloomberg: MXUEFMNE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a US equity index including large and mid-cap securities. The objective of the Index is to build a portfolio with an improved extra-financial profile while minimizing the Tracking Error compared to the MSCI USA Index (the "Parent Index").

The components of the Parent Index represent the investment universe (the "Investment Universe").

As a first step, the Index selects securities based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies involved in sectors with a potentially high negative ESG impact, i.e. that generate more than a certain percentage of their revenue from sectors such as tobacco, oil and gas and thermal coal power generation, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

In addition, the Index applies an optimization process with respect to the Parent Index with a view to minimizing the tracking error. The optimization process is applied under the following constraints so as to select securities from the Investment Universe to consistently achieve the following targets:

- an ESG score higher than the ESG score of the Parent Index and
- a GHG intensity lower than the GHG intensity of the Parent Index by at least 20% ("extra-financial indicator improvement approach").

The ESG rating and research methodology provided by MSCI ESG Research is available on MSCI's website at the following address as of the date of preparation of the Prospectus: www.msci.com/esg-ratings. MSCI ESG ratings aims to determine how well companies that have demonstrated their ability to manage their ESG risks and opportunities.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

***Other Investments***

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.12% | 0.05% |
| Track I | 0.03% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI USA Min TE

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non settlement day for more than 10% of the underlying securities, the index underlying stocks, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 26, 2016, with the name "MSCI North America ex Controversial Weapons". by transfer of the "Classic", "Privilege", "I", "I GBP", "IH EUR" and "X" categories of the "Track North America" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Current name first applied on 11 September 2017.
- Split of the "UCITS ETF-CAP" share class by 22 on July 6, 2018.
- Change of name from "MSCI North America ex CW" into "MSCI North America ESG Filtered Min TE" on December 1st, 2021.
- Change of index from "MSCI North America ex Controversial Weapons (NTR)" into "MSCI North America ESG Filtered Min TE (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1, 2021.
- Change of name from "MSC North America ESG Filtered Min TE" into "MSCI USA ESG Filtered Min TE" on November 26th,2024.
- Change of name from "MSCI USA ESG Filtered Min TE" into "MSCI USA Min TE" on March 13th, 2025.
- Change of the index name from "MSCI USA ESG Filtered Min TE (NTR)" into "MSCI USA Select Filtered Min TE EUR (NTR)" on March 13th, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's

permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI USA SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI USA SRI Select PAB (NTR) Index (Bloomberg: M1CXUSC index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a US equity index with an objective to provide investors with exposure to US companies, which have high standard in terms of Environmental, Social and Governance (ESG) values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI USA Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based on Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index.

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking to add a single country holding to an existing diversified portfolio;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25[3]% | 0.05% |
| Track Privilege | 0.13% | None | None | 0.12% | 0.05% |
| Track I | 0.13% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on February 19, 2016, with the name "MSCI KLD 400 Social", by transfer of the "Classic", "Privilege", "I" and "X" categories of the "Track US SRI" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" share category on May 31, 2016.
- Change of name into MSCI KLD 400 US SRI on July 17, 2017.
- Split of the "UCITS ETF-CAP" share class by 14 on June 29, 2018.
- Split of the "UCITS ETF EUR-DIS" share class by 11 on June 29, 2018.
- Change of name from "MSCI KLD 400 US SRI" into "MSCI USA SRI S-Series 5% Capped" on September 16, 2019.
- Change of index from "MSCI KLD 400 social (NTR)" into "MSCI USA SRI S-Series 5% Capped (NTR)" on September 16, 2019.
- Change of name from "MSCI USA SRI S-Series 5% Capped" into "MSCI USA SRI S-Series PAB 5% Capped" on December 1, 2021.
- Change of index from "MSCI USA SRI S-Series 5% Capped (NTR)" into "MSCI USA SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1, 2023.
- Change of name from "MSCI USA SRI S-Series PAB 5% Capped" into "MSCI USA SRI PAB" on March 13th, 2025.
- Change of the index name from "MSCI USA SRI S-Series PAB 5% Capped (NTR) Index" into "MSCI USA SRI Select PAB (NTR) Index » on December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). the MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI World SRI PAB

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI World SRI Select PAB (NTR) Index (Bloomberg: M1CXWSC Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a global equity index with an objective to provide investors with exposure to companies that have their registered offices or conduct the majority of their business activities in global developed countries, and which have high standard in terms of ESG values, while aiming to comply with the Paris Aligned Benchmark (PAB) targets of reducing greenhouse gas (GHG) intensity by at least 50% relative to the initial investment universe and achieving an additional decarbonisation target of at least 7% each year as defined in the framework of the European Benchmark Regulation.

The Index initial investment universe (the "Investment Universe") is composed of companies included in the MSCI World Index (the "Parent Index").

As a first step, the Index selects companies from the Investment Universe based Environmental, Social and Corporate Governance (ESG) criteria (such as environmental opportunity, pollution and waste, human capital, corporate governance, etc.) and based on their efforts to reduce their exposure to coal and unconventional fossil fuels.

As a result, companies belonging to controversial sectors (such as controversial weapons, gambling, genetically modified organisms, conventional weapons), those involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from the Index.

All MSCI SRI indices use company ratings and research provided by MSCI ESG Research to determine the eligibility of stocks for the Index.

The methodology aims to include the securities of companies with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the Parent Index ("selectivity approach" by sector).

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Deutschland GmbH.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index included in the Index, in similar the same proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other Investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.13% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.08% | None | None | 0.12% | 0.05% |
| Track I | 0.12% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

# BNP Paribas Easy MSCI World SRI PAB

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on February 26, 2016, with the name "MSCI World ex Controversial Weapons", by transfer of the "Classic", "Privilege", "I" and "X" categories of the "Track World" sub-fund of the Luxembourg SICAV PARWORLD.
- Renaming of the "Track I" share category into "UCITS ETF" and "Track Privilege" share categories on May 31, 2016.
- Change of name into MSCI World ex CW on September 11, 2017.
- Split of the "UCITS ETF-CAP" share class by 20 on 29/06/2018.
- Split of the "UCITS ETF EUR-CAP" share class by 11 on June 29, 201829/06/2018.
- Change of name from "MSCI World ex CW" into "MSCI World SRI S-Series 5% Capped" on September 16, 2019.
- Change of index from "MSCI World ex Controversial Weapons (NTR)" into "MSCI World SRI S-Series 5% Capped (NTR)" on September 16, 2019.
- Change of name from "MSCI World SRI S-Series 5% Capped" into "MSCI World SRI S-Series PAB 5% Capped" on December 1st, 2021.
- Change of index from "MSCI World SRI S-Series 5% Capped (NTR)" into "MSCI World SRI S-Series PAB 5% Capped (NTR)" on December 1st, 2021.
- Change of SFDR classification from an Article 8 sub-fund to an Article 9 sub-fund on December 1, 2021.
- Change of SFDR classification from Article 9 to Article 8 on January 1, 2023.
- Change of name from "MSCI World SRI S-Series PAB 5% Capped" into "MSCI World SRI PAB" on March 13th, 2025.
- Change of the index name from "MSCI World SRI S-Series PAB 5% Capped (NTR) Index" into "MSCI World SRI Select PAB (NTR) Index" on December 15, 2025.

### *Taxation*

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

### *Index Disclaimer*

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# BNP Paribas Easy Quality Europe

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the BNP Paribas Quality Europe (NTR) Index (Bloomberg: BNPIFEQE index), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is composed of European equities selected on the basis of profitable business models and good financial health, while taking into account an Environmental, Social and Governance (ESG) scoring and GHG intensity data.

The objective of the Index is to provide exposure to the performance of a basket of equities that trade on various exchanges in Europe.

As a first step, the index removes at least 20% of its reference investment universe (European Equities) based on extra financial criteria (such as exclusion based on controversies, UN Global Compact principles, ESG scoring, etc.) ("selectivity approach").

This Index therefore selects companies closely linked to Quality criteria with the consideration of ESG rating (reduction of carbon emission, human capital, corporate governance etc.).

Finally, the Index implements an optimisation that aims to find the optimal portfolio exposition to the Quality Factor subject to several constraints such as turnover, maximum exposure by issuer, tracking error constraints, environmental, social and governance constraints, GHG intensity constraints, etc.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated by BNP Paribas SA (the "Index Sponsor"), calculated and published by Solactive AG.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology of the Index can be found at https://indx.bnpparibas.com

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

In synthetic replication, ESG criteria are applied on the "substitute basket" as detailed in the section "Investment Policy, Objectives, Restrictions and Technique" of Book I.

# BNP Paribas Easy Quality Europe

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

A summary of the commitments is also available in Appendix 5 of Book I.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None [3] |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.08% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:30 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on June 7, 2016.
- Change of name from "Equity Quality Europe" into "ESG Quality Europe" on December 1st, 2021.
- Change of index from "BNP Paribas Equity Quality Europe (TR)" into "BNP Paribas Quality Europe ESG (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name from "ESG Quality Europe" to "Quality Europe" on May 21, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The Index Sponsor under any circumstances, offer any guarantee as to the results achieved using the Index or the value of the Index at any time on any day. The Index Sponsor draws the attention of owners of the ETF to the disclaimers appearing in Sections 5 and 6 of Part C (General Index Rules) of the Index Rule Book, which is available on the website quoted above.

# BNP Paribas Easy Value Europe

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the BNP Paribas Value Europe (NTR) Index (Bloomberg: BNPIFEVE index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is composed of European equities based on financial and academic research that explores fundamental undervalued companies, while taking into account an Environmental, Social and Governance (ESG) scoring and GHG intensity data.

The objective of the Index is to provide exposure to the performance of a basket of equities that trade on various exchanges in Europe.

As a first step, the Index removes at least 20% of its reference investment universe (European Equities) based on extra financial criteria (such as exclusion based on controversies, UN Global Compact principles, ESG scoring, etc.) ("selectivity approach").

This Index therefore selects companies closely linked to Value criteria with the consideration of ESG rating (reduction of carbon emission, human capital, corporate governance etc.).

Finally, the Index implements an optimisation that aims to find the optimal portfolio exposition to the Value Factor subject to several constraints such as turnover, maximum exposure by issuer, tracking error constraints, environmental, social and governance constraints, GHG intensity constraints, etc.

The ESG analysis is carried out on all the constituents composing the Index.

It cannot be guaranteed that all constituents will comply with the ESG criteria set out herein at all times. For example, between two Index rebalancing dates as set out above, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated by BNP Paribas SA (the "Index Sponsor"), and calculated and published by Solactive AG.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology of the Index can be found at https://indx.bnpparibas.com

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

In synthetic replication, ESG criteria are applied on the "substitute basket" as detailed in the section "Investment Policy, Objectives, Restrictions and Technique" of Book I.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

**INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.**

**A summary of the commitments is also available in Appendix 5 of Book I.**

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.18% | None | None | 0.12% | None[3] |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.08% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Value Europe

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:30 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on June 7, 2016.
- Change of name from "Equity Value Europe" into "ESG Value Europe" on December 1st, 2021.
- Change of index from "BNP Paribas Equity Value Europe (TR)" into "BNP Paribas Value Europe ESG (NTR)" on December 1st, 2021.
- Change of SFDR classification into an Article 8 sub-fund on December 1st, 2021.
- Change of name of the sub-fund from "ESG Value Europe" to "Value Europe" on May 21, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The Index Sponsor under any circumstances, offer any guarantee as to the results achieved using the Index or the value of the Index at any time on any day. The Index Sponsor draws the attention of owners of the ETF to the disclaimers appearing in Sections 5 and 6 of Part C (General Index Rules) of the Index Rule Book, which is available on the website quoted above.

# BNP Paribas Easy EUR Overnight

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Solactive €STR Overnight Total Return Index (Bloomberg: SOESTRON Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an accumulating daily return strategy investing into overnight deposits, reflecting the performance of the €STR. €STR is the overnight borrowing costs applied by banks in the euro area, calculated and published by the European Central Bank. The rate is calculated and published daily based on transactions conducted and settled on the previous day with a maturity date of T+1, executed at arm's length. Therefore, €STR reflects market rates in an unbiased way. The €STR methodology and policies are available at:

https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

The Index is a Net Total Return index (calculated with net coupons reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

There is no rebalancing of the Index.

### *Index Publication*

The Index is administrated, calculated and published by Solactive AG.

*Further information on the Index, its composition, calculation and rules for monitoring can be found at www.solactive.com.*

## *Investment policy*

The manager of the sub-fund's portfolio will implement synthetic replication described below, to ensure optimum management of the sub-fund.

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs. Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS, cross-currency swaps and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis. In this framework of minimising the impact of fluctuations between each of those share class currencies and the Euro, the Reference Rate applicable for performance comparison will correspond to the equivalent overnight money market rate of the respective share class currency (e.g., SOFR for USD hedged share classes).

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 2%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments;
- can accept low to medium market risks.
- have an investment horizon of 1 year

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.07% | None [23 |
| Track Classic | 0.25% | None | None | 0.15% | 0.05% |
| Track Privilege | 0.05% | None | None | 0.07% | 0.05% |
| Track I | 0.03% | None | None | 0.07% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.07% | 0.01% |
| Track X | None | None | None | 0.07% | 0.01% |
| Track E | 0.15% | None | None | 0.05% | 0.05% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.20% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise

decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes<br>15:30 CET for UCITS ETF Share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-fund not yet launched at the date of the Prospectus.

Change of name of the sub-fund from "€ Overnight" into "EUR Overnight" from December 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

The financial instruments that are based on the Index are not sponsored, endorsed, promoted or sold by Solactive in any way and Solactive makes no express or implied representation, guarantee or assurance with regard to: (a) the advisability in investing in the financial instruments; (b) the quality, accuracy and/or completeness of the Index; and/or (c) the results obtained or to be obtained by any person or entity from the use of the Index. Solactive does not guarantee the accuracy and/or the completeness of the Index and shall not have any liability for any errors or omissions with respect thereto. Notwithstanding Solactive's obligations to its licensees, Solactive reserves the right to change the methods of calculation or publication with respect to the Index and Solactive shall not be liable for any miscalculation of or any incorrect, delayed or interrupted publication with respect to the Index. Solactive shall not be liable for any damages, including, without limitation, any loss of profits or business, or any special, incidental, punitive, indirect or consequential damages suffered or incurred as a result of the use (or inability to use) of the Index.

# BNP Paribas Easy Bloomberg Europe Defense

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg Europe Defense Select Index (Bloomberg: BSHIELDN Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 2%.

## *The Index*

### *General Description*

The Bloomberg Europe Defense Select Index is constructed to track the performance of European defense companies that are focusing on developing new technologies to keep pace with advancements and changing threats. The Index includes companies that are engaged in the design of vehicles, weapons, technology, and equipment for military, defense, and space use. The Index also includes companies that are suppliers to the equipment manufacturers as well as companies engaged in research and development solutions for biological, chemical, and health threats.

The Index is market capitalization weighted.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by Bloomberg Index Services Limited.

*Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg indices, can be found at www.bloomberg.com.*

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs. The sub-fund will not invest in companies involved in the manufacture or sale of controversial weapons.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 2%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

# BNP Paribas Easy Bloomberg Europe Defense

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.23% | None | None | 0.12% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.25% | None | None | 0.12% | 0.05% |
| Track I | 0.23% | None | None | 0.12% | 0.01% |
| Track I Plus | 0.21% | None | None | 0.12% | 0.01% |
| Track X | None | None | None | 0.12% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.50% for subscription or conversion in, and maximum 0.50% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy Bloomberg Europe Defense

***Terms of subscription / conversion / redemption:***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the Index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes<br>15:30 CET for UCITS ETF Share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-fund launched on May 19, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy Bloomberg US Treasury

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg US Treasury (TR) Index (Bloomberg: LUATTRUU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury, with at least one year remaining to maturity.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg indices, can be found at www.bloomberg.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 3 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)(1) | Performance | Distribution (max) | Other (max) | TAB (2) |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.06% | None (3) |
| Track Classic | 0.20% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.02% | None | None | 0.06% | 0.05% |
| Track I | 0.01% | None | None | 0.06% | 0.01% |
| Track I Plus | None | None | None | 0.06% | 0.01% |
| Track X | None | None | None | 0.06% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Levy*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy Bloomberg US Treasury

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track share classes,<br>15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day<br>(D) | Day after the Valuation Day<br>(D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund launched on October 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy Bloomberg US Treasury 1-3Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg US Treasury 1-3Y (TR) Index (Bloomberg: LT01TRUU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible short-term U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. The maturity range is between one year and less than three years.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg indices, can be found at www.bloomberg.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus*.

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by government entities included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus*.

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio managementas long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

# BNP Paribas Easy Bloomberg US Treasury 1-3Y

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of 1 year.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.06% | None [3] |
| Track Classic | 0.20% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.02% | None | None | 0.06% | 0.05% |
| Track I | 0.01% | None | None | 0.06% | 0.01% |
| Track I Plus | None | None | None | 0.06% | 0.01% |
| Track X | None | None | None | 0.06% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors.

The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund launched on October 15, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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# BNP Paribas Easy Bloomberg US Treasury 3-7Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg US Treasury 3-7Y (TR) Index (Bloomberg: LT13TRUU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. The maturity range is between three to seven years.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg indices, can be found at www.bloomberg.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in debt securities issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

# BNP Paribas Easy Bloomberg US Treasury 3-7Y

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of three years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.06% | None [3] |
| Track Classic | 0.20% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.02% | None | None | 0.06% | 0.05% |
| Track I | 0.01% | None | None | 0.06% | 0.01% |
| Track I Plus | None | None | None | 0.06% | 0.01% |
| Track X | None | None | None | 0.06% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the Index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track share classes,<br>15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day<br>(D) | Day after the Valuation Day<br>(D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-fund is not yet launched at the date of the Prospectus.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy Bloomberg US Treasury 7-10Y

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the Bloomberg US Treasury 7-10Y (TR) Index (Bloomberg: LT09TRUU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index aims to track the performance of eligible U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. The maturity range is between seven and ten years.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Total Return index (calculated with gross coupons reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a monthly basis.

### *Index Publication*

The Index is administrated, calculated and published by Bloomberg Index Services Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all Bloomberg indices, can be found at www.bloomberg.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will invest intend to at least 90% of its assets in debt securities issued by government entities included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index .

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

# BNP Paribas Easy Bloomberg US Treasury 7-10Y

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in fixed income securities;
- can accept low to medium market risks;
- have an investment horizon of four years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.06% | None [3] |
| Track Classic | 0.20% | None | None | 0.20% | 0.05% |
| Track Privilege | 0.02% | None | None | 0.06% | 0.05% |
| Track I | 0.01% | None | None | 0.06% | 0.01% |
| Track I Plus | None | None | None | 0.06% | 0.01% |
| Track X | None | None | None | 0.06% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.25% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy Bloomberg US Treasury 7-10Y

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the Index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track share classes,<br>15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day<br>(D) | Day after the Valuation Day<br>(D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund is not yet launched at the date of the Prospectus.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy Energy & Metals Enhanced Roll

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the BNP Paribas Energy & Metals Enhanced Roll (TR) Index (Bloomberg: BNPIC52T) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index represents a diversified investment in a basket of commodity futures indices, excluding commodities classified as agriculture and livestock, with the objective to optimise the roll mechanism and reduce the carry costs usually associated to commodities futures contracts holding. Each single commodity is represented by its own reference index.

The allocation between the commodities futures indices is derived from the composition of the Bloomberg Commodity Ex-Agriculture and Livestock Capped Total Return Index (Bloomberg code: BBUXALCT Index) following any monthly rebalancing of such index.

The Index is a Total Return index (cash remunerated).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index to the commodities futures indices is reviewed on a monthly basis.

Within each commodities futures index, the composition of the futures on commodities can be rebalanced up to daily.

### *Index Publication*

The Index is administrated by BNP Paribas (the "Index Sponsor") and calculated and published by S&P Dow Jones Indices LLC (the "Index Calculation Agent"). BNP Paribas Financial Markets SNC (the "Index Weight Calculation Agent") provides certain data to the Index Calculation Agent for use in the Index.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology of the Index can be found at the administrator website: https://indx.bnpparibas.com

## *Investment policy*

The manager of the sub-fund's portfolio will use index replication method described below, to ensure optimum management of the sub-fund.

### *Synthetic replication*

At least, 75% of the assets will be invested at all times in equities.

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

### *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non- ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investment in commodities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max) | Performance | Distribution (max) | Other (max) | TAB [1] |
|---|---|---|---|---|---|
| UCITS ETF | 0.26% | None | None | 0.12% | None [2] |

[1] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

[2] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of (i) days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable and (ii) days when the European market(s) for the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 14:45 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

[1] *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-fund launched on April 1, 2016, with the name "S&P GSCI Energy & Metals Capped Components 35/20" to "Energy & Metals Enhanced Roll", by transfer of the "A Euro Unhedged" and "B Euro Hedged" categories of the Luxembourg FCP S&P GSCI® Energy&Metals Capped Component 35/20 THEAM Easy UCITS ETF.
- Current name and index first applied on March 29, 2017.
- Split of the "UCITS ETF-CAP" by 13 on June 22, 2018.
- Split of the "UCITS ETF EUR-CAP" by 3 on June 22, 2018.
- Split of the "UCITS ETF RH EUR-CAP" by 9 on June 22, 2018.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

None of the Index Sponsor, the Index Calculation Agent nor the Index Weight Calculation Agent, under any circumstances, offer any guarantee as to the results achieved using the index or the value of the Index at any time on any day. The Index Sponsor draws the attention of owners of the ETF to the disclaimers appearing in Sections 5 and 6 of Part C (General Index Rules) of the Index Rule Book, which is available on the website quoted above.

BNP Paribas Energy & Metals Enhanced Roll (TR)] (the "Index") is the exclusive property of BNP Paribas. Standard & Poor's contribution is limited to performing calculations and data distribution in connection with the Index as well as maintenance of the Index. S&P and its affiliates shall have no liability for any errors or omissions in calculating the Index or in connection with the data provided in connection therewith. The BNP Paribas Easy Energy & Metals Enhanced Roll (the "Product") is not sponsored, endorsed, sold or promoted by Standard & Poor's, its affiliates or their third party licensors and neither Standard & Poor's, its affiliates nor its third party licensors make any representatives regarding the advisability of investing in the Product."

# BNP Paribas Easy FTSE EPRA/Nareit Eurozone Capped

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the FTSE EPRA Nareit Eurozone Capped (NTR) Index (Bloomberg: NR0EUE Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The majority of the index's underlying components are property sector equities listed on Eurozone stock exchanges.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by FTSE International Limited.

Additional information on the Reference Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the EPRA Nareit GLOBAL REAL ESTATE INDEX SERIES ® indices can be found on: www.ftse.com.

## *Investment policy*

The manager of the sub-fund's portfolio will use the index replication method described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non- ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non- ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non- ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non- ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

# BNP Paribas Easy FTSE EPRA/Nareit Eurozone Capped

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in real estate products;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.28% | None | None | 0.12% | None [3] |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

### *Terms of subscription / conversion / redemption*

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable or their reference market is subject to early closure, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:30 CET on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

[1] *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

[2] *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

### *Historical information*

- Sub-fund launched on December 28, 2015 following the conversion of the Luxembourg FCP FTSE EPRA Eurozone THEAM Easy UCITS ETF from the legal form of an FCP into the one of a SICAV.
- Split of the "UCITS ETF QD-DIS" share class by 26 on July 6, 2018.

- Split of the "UCITS ETF-CAP" share class by 18 on July 6, 2018.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

BNP Paribas Easy FTSE EPRA Nareit Eurozone Capped is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by the London Stock Exchange Plc (the "Exchange") or by the Financial Times Limited ("FT"), European Public Real Estate Association ("EPRA") and National association of Real Estate Investment Trusts ("Nareit") and neither FTSE, Exchange, FT, EPRA nor NAREIT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA Nareit Eurozone Capped index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE, Exchange, FT, EPRA nor Nareit shall be liable (whether in negligence or otherwise) to nay person for any error in the Index and neither FTSE, Exchange, FT, EPRA or Nareit shall be under any obligation to advise any person of any error therein.

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# BNP Paribas Easy MSCI ACWI

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI ACWI Index (Bloomberg: M1WD Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a global equity index which measures the performance of large and mid-cap equity securities across developed and emerging countries.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will implement synthetic replication described below, to ensure optimum management of the sub-fund.

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus*.

At least, 75% of the assets will be invested at all times in equities.

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an. asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

# BNP Paribas Easy MSCI ACWI

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in global equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.04% | None | None | 0.08% | None [3] |
| Consorsbank UCITS ETF | 0.04% | None | None | 0.08% | None[3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.06% | None | None | 0.08% | 0.05% |
| Track I | 0.04% | None | None | 0.08% | 0.01% |
| Track I Plus | 0.02% | None | None | 0.08% | 0.01% |
| Track X | None | None | None | 0.08% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.20% for subscription or conversion in, and maximum 0.10% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy MSCI ACWI

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-Fund launched on December 11, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Emerging

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Emerging Markets Index (Bloomberg: M1EF Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an emerging markets equity index including large and mid-cap securities.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will implement synthetic replication described below, to ensure optimum management of the sub-fund.

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

At least, 75% of the assets will be invested at all times in equities.

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

# BNP Paribas Easy MSCI Emerging

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in emerging markets equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.07% | None | None | 0.10% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.09% | None | None | 0.10% | 0.05% |
| Track I | 0.07% | None | None | 0.10% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.10% | 0.01% |
| Track X | None | None | None | 0.10% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.70% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy MSCI Emerging

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund launched on January 20, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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# BNP Paribas Easy MSCI Emerging Ex China

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Emerging Markets ex-China Index (Bloomberg: M1CXBRV Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an emerging markets equity index including large and mid-cap securities across emerging markets excluding China.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will implement synthetic replication described below, to ensure optimum management of the sub-fund.

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

# BNP Paribas Easy MSCI Emerging Ex China

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in emerging markets (excluding China) equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.07% | None | None | 0.10% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.09% | None | None | 0.10% | 0.05% |
| Track I | 0.07% | None | None | 0.10% | 0.01% |
| Track I Plus | 0.05% | None | None | 0.10% | 0.01% |
| Track X | None | None | None | 0.10% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.70% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

# BNP Paribas Easy MSCI Emerging Ex China

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes,16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund is not yet launched at the date of the Prospectus.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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# BNP Paribas Easy MSCI EMU

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI EMU NTR Index (Bloomberg: M7EM Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a European equity index including large and mid-cap securities across the European Economic and Monetary Union (EMU).

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index , in similarproportions as their weightings in the Index.

- equities issued by companies included in the Index, and/or

- equity equivalent securities whose underlying assets are issued by companies included in the Index.

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index .

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management ,as long as the conditions set out in Appendix 2 of Book I are met.

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

# BNP Paribas Easy MSCI EMU

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in EMU equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.04% | None | None | 0.08% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.07% | None | None | 0.08% | 0.05% |
| Track I | 0.04% | None | None | 0.08% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.08% | 0.01% |
| Track X | None | None | None | 0.08% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

Anti-Dilution Levy

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.30% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

Swing Pricing

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

### *Valuation Day*

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

# BNP Paribas Easy MSCI EMU

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the Index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[(1)] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track share classes,<br>16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day<br>(D) | Day after the Valuation Day<br>(D+1) | Maximum three Business Days after the Valuation Day [(2)] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-fund launched on January 15, 2026.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

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Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.
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# BNP Paribas Easy MSCI Europe

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Europe NTR Index (Bloomberg: M7EU Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an European equity index including large and mid-cap securities across developed markets.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management,as long as the conditions set out in Appendix 2 of Book I are met. .

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in European equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.03% | None | None | 0.08% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.05% | None | None | 0.08% | 0.05% |
| Track I | 0.03% | None | None | 0.08% | 0.01% |
| Track I Plus | 0.01% | None | None | 0.08% | 0.01% |
| Track X | None | None | None | 0.08% | 0.01% |

[1] *An additional 0.03% fee may be applied for hedged share classes*

[2] *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

[3] *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.40% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors.

The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders,<br>12:00 CET for non STP orders for Track share classes,<br>15:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day<br>(D) | Day after the Valuation Day<br>(D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

- Sub-Fund launched on October 16, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy MSCI Japan

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the MSCI Japan Index (Bloomberg: MSDEJNN Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is a Japanese equity index including large and mid-cap securities.

The securities are weighted based on their free float-adjusted market capitalisation.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is EUR.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by MSCI Limited.

Further information on the Index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all MSCI indices, can be found at www.msci.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the two index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs.

Derivatives instruments may be used for hedging purposes and / or efficient portfolio management, as long as the conditions set out in Appendix 2 of Book I are met..

In case of activation of hedged share classes, foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 1%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in Japanese equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

EUR

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.04% | None | None | 0.08% | None [3] |
| Track Classic | 0.40% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.06% | None | None | 0.08% | 0.05% |
| Track I | 0.04% | None | None | 0.08% | 0.01% |
| Track I Plus | 0.02% | None | None | 0.08% | 0.01% |
| Track X | None | None | None | 0.08% | 0.01% |

(1) *An additional 0.03% fee may be applied for hedged share classes*

(2) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

(3) *This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.10% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the benchmark index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Benchmark Index with a weighting

that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders(1) | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 16:30 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the day preceding the Valuation Day (D-1) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day (2) (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, or is a non-settlement day for more than 10% of the index underlying securities, the settlement will occur the following business day.*

***Historical information***

Sub-Fund launched on October 16, 2025.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

This sub-fund is not sponsored, endorsed, sold or promoted by MSCI, any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by the sub-fund. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this sub-fund or any other person or entity regarding the advisability of investing in funds generally or in this sub-fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this sub-fund or the issuer or owners of this sub-fund or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuer or owners of this sub-fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this sub-fund to be issued or in the determination or calculation of the equation by or the consideration into which this sub-fund is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this sub-fund or any other person or entity in connection with the administration, marketing or offering of this sub-fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the sub-fund, owners of the sub-fund, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

# BNP Paribas Easy S&P 500 II

## *Investment objective*

The investment objective of the sub-fund is to replicate the performance of the S&P 500® NTR Index (Bloomberg: SPTR500N Index) (the "Index"), including fluctuations, and to maintain the Tracking Error between the sub-fund and the Index below 1%.

## *The Index*

### *General Description*

The Index is an equity index of the 500 largest US companies. The selected stocks represent the largest market capitalisations covering approximately 75% of the shares of US companies.

The Index is a Net Total Return index (calculated with net dividends reinvested).

### *Index Currency*

The Index currency is USD.

### *Index Rebalancing*

The composition of the Index is reviewed on a quarterly basis.

### *Index Publication*

The Index is administrated, calculated and published by Standard & Poor's.

A detailed description of the index as well as the publication of its values is available at the website www.standardandpoors.com.

## *Investment policy*

The manager of the sub-fund's portfolio will be able to switch between the three index replication methods described below, to ensure optimum management of the sub-fund.

### *Full replication*

When employing full replication, the sub-fund will intend to invest at least 90% of its assets in constituents issued by companies included in the Index, in similar proportions as their weightings in the Index.

*For more information about the full replication method, please refer to the Appendix 2 of Book I of the Prospectus*.

### *Optimised replication*

When employing optimised replication, the sub-fund will invest in a representative sample of the Index.

The sub-fund will invest at least 90% of its assets in constituents issued by companies included in the Index.

*For more information about the optimised replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

### *Synthetic replication*

When employing synthetic replication, the sub-fund will achieve exposure to the Index by entering into total return swaps (TRS).

*For more information about the synthetic replication method, please refer to the Appendix 2 of Book I of the Prospectus.*

*At least, 75% of the assets will be invested at all times in equities.*

### *Tracking Error*

The sub-fund aims at replicating as closely as possible the performance of the Index. However, it may experience some degree of Tracking Error.

*For more information on Tracking Error, please refer to the Terminology section and the Appendix 3 of Book I of the Prospectus.*

### *Other investments*

The sub-fund will not invest more than 10% of its net assets in Transferable Securities other than those referred to in the core policy, Money Market Instruments, shares or units issued by UCITS or other UCIs. Derivatives instruments may be used for hedging purposes and / or efficient portfolio management and / or investment purposes.

In case of activation of hedged share classes, TRS and / or foreign exchange contracts may be used for currency hedging at share class level on a continuous basis.

*For more information on the use of derivatives instruments, please refer to the Appendix 2 of Book I.*

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7.

## *Non-ESG extra financial index*

The investment objective of the sub-fund is to replicate the performance of a non-ESG extra financial index (the performance of an asset class, a geographic area or a thematic, without ESG extra-financial criteria nor a sustainable approach being taken into account for securities' selection and/or weighting of individual security in the index), including fluctuations, and to maintain the Tracking Error between the sub-fund and its non-ESG extra financial index below 2%. In order to meet the investment objective and keep the Tracking Error low versus the non-ESG extra financial index, the investment process will not take into account sustainability risks and principal adverse impacts on sustainability factors.

# BNP Paribas Easy S&P 500 II

## *Information relating to SFDR and Taxonomy Regulation*

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## *Risk profile*

*For an overview of generic and specific risks, please refer to the Appendix 3 of Book I of the Prospectus.*

## *Investor type profile*

This sub-fund is suitable for investors who:

- are looking for a diversification of their investments in US equities;
- are willing to accept higher market risks in order to potentially generate higher long-term returns;
- can accept significant temporary losses;
- can tolerate volatility;
- have an investment horizon of 5 years.

## *Accounting Currency*

USD

## *Fees payable by the sub-fund*

| Category | Management (max)[1] | Performance | Distribution (max) | Other (max) | TAB [2] |
|---|---|---|---|---|---|
| UCITS ETF | 0.01% | None | None | 0.07% | None [3] |
| Track Classic | 0.30% | None | None | 0.25% | 0.05% |
| Track Privilege | 0.03% | None | None | 0.07% | 0.05% |
| Track I | 0.01% | None | None | 0.07% | 0.01% |
| Track I Plus | None | None | None | 0.07% | 0.01% |
| Track X | None | None | None | 0.07% | 0.01% |

*(1) An additional 0.03% fee may be applied for hedged share classes*

*(2) Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution. In case of admission on Luxembourg Euro MTF the share class is exempted from the taxe d'abonnement.*

*(3) This category is exempted from the taxe d'abonnement according to the "Tax provisions" section of Book I of the Prospectus.*

The complete list of shares offered is available on the website www.bnpparibas-am.com

For each active share, a KID is available on the website www.bnpparibas-am.com

## *Anti-Dilution Mechanisms*

**Anti-Dilution Levy**

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.15% for subscription or conversion in, and maximum 0.15% for redemption or conversion out may be applicable.

The Board of Directors may decide to temporarily increase the anti-dilution levy beyond the maximum level indicated above when necessary to protect the interests of shareholders.

**Swing Pricing**

Alternatively, swing pricing may apply for specific share classes, as set out in Book I.

## *Additional information*

***Valuation Day***

For each day of the week on which banks are open for business in Luxembourg and the Index is published (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day. The last Business Day of the year will always be a Valuation Day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

***Terms of subscription / conversion / redemption***

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below and in Book I, only on Valuation Days with the exception of days when the components of the Index with a weighting that represents a significant proportion of the index (in excess of 10%) are not tradable, unless otherwise decided by the Board of Directors. The time mentioned is Luxembourg time. Orders received on December 24th and December 31st of each year will be suspended and treated on the following Valuation Day.

| Centralisation of orders[1] | Orders Trade Date | NAV calculation and publication date | Orders Settlement Date |
|---|---|---|---|
| 15:00 CET for STP orders, 12:00 CET for non STP orders for Track share classes, 16:30 CET for UCITS ETF share classes on the Valuation Day (D) | Valuation Day (D) | Day after the Valuation Day (D+1) | Maximum three Business Days after the Valuation Day [2] (D+3) |

(1) *Applications approved after this deadline will be processed on the basis of the net asset value calculated for the following Valuation Day.*

(2) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

***Historical information***

Sub-Fund is not yet launched at the date of the Prospectus.

***Taxation***

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

***Index Disclaimer***

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NEITHER S&P DOW JONES INDICES NOR THE THIRD-PARTY LICENSOR MAKE ANY GUARANTEE REGARDING THE PERTINENCE, ACCURACY, APPROPRIATENESS AND/OR THE EXHAUSTIVENESS OF THE S&P 500® OR OF ANY RELATED DATA OR COMMUNICATION INCLUDING, BUT NOT LIMITED TO, ANY COMMUNICATION IN WRITTEN OR ORAL FORM (NOTABLY ELECTRONIC COMMUNICATIONS) RELATED HERETO. S&P DOW JONES INDICES SHALL NOT BE HELD RESPONSIBLE NOR BE LIABLE FOR ANY PREJUDICE RESULTING FROM ANY ERROR, OMISSION OR DELAY WITHIN THE CONTEXT HEREOF. S&P DOW JONES INDICES PROVIDE NO GUARANTEE, WHETHER EXPLICIT OR IMPLICIT, AND EXPRESSLY REJECT ANY GUARANTEE REGARDING THE MERCHANTABILITY OR APPROPRIATENESS VIS-A-VIS ANY PARTICULAR USE OR PURPOSE OR REGARDING ANY RESULTS ANTICIPATED BY BNP PARIBAS ASSET MANAGEMENT LUXEMBOURG, THE OWNERS OF THE BNP PARIBAS EASY S&P 500 II OR ANY OTHER NATURAL PERSON OR LEGAL ENTITY RELATING TO THE UTILISATION OF THE S&P 500® OR ANY DATA RELATED THERETO. WITHOUT IN ANY WAY LIMITING THE FOREGOING, IN NO CIRCUMSTANCES MAY S&P DOW JONES INDICES BE HELD LIABLE FOR ANY INDIRECT, SPECIFIC, ACCESSORY, PUNITIVE OR CONSEQUENTIAL DAMAGE, INCLUDING BUT NOT LIMITED TO, ANY LOSS OF PROFIT, COMMERCIAL LOSS, LOST TIME OR CLIENT LOSS, EVEN WHERE THE LATTER HAVE BEEN ADVISED OF THE POSSIBLE OCCURRENCE OF SUCH PREJUDICE, WHETHER IN CONTRACT, TORT, UNDER STRICT LIABILITY OR OTHERWISE. THE THIRD-PARTY LICENSORS OF S&P DOW JONES INDICES ARE THE SOLE THIRD-PARTY BENEFICIARIES OF ANY AGREEMENT OR UNDERSTANDING ENTERED INTO BY S&P DOW JONES INDICES AND BNP PARIBAS ASSET MANAGEMENT LUXEMBOURG.

# INFORMATION FOR INVESTORS IN SWITZERLAND

**1. Representative and Paying Agent in Switzerland**
BNP Paribas, Paris, Zurich branch, Selnaustrasse 16, 8002 Zurich

**2. Place where the relevant documents may be obtained**
The articles of incorporation, the prospectus, the key information documents as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

**3. Publications**
Publication in respect of the Company are made in Switzerland on the electronic platform www.fundinfo.com.

The issue and redemption prices of the shares, respectively the net asset value with a reference stating «excluding commissions», are published daily on www.fundinfo.com.

**4. Payment of retrocessions and rebates**
1. The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of the shares of the Company in Switzerland. This remumeration may be deemed payment for the following services in particular:

- Setting up processes for the subscription, holding and safe custody of shares;
- Storage and distribution of marketing and legal documents;
- Transmission or provision of legally prescribed publications and other publications;
- Performing due diligence by delegation of the Management Company or the representative in areas such as money laundering, clarification client needs, etc;
- Receiving and answering investors' questions;
- Appointing and monitoring sub-distributors.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

Disclosure of the receipt of retrocessions is based on the applicable provisions of Financial Services Act (FinSA).

2. As part of the distribution in Switzerland, the Management Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that:

- they are paid from fees received by the Management Company and therefore do not represent an additionnal charge on the Company's assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Management Company are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the range of products or services of the promoter or the group of which it is part;
- the investment behavior shown by the investor (e.g expected investment period);
- the amount of fees generated by the investor;
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

These criteria are alternative and not cumulative.

At the request of the investor, the Management Company must disclose the amounts of such rebates free of charge.

**5. Place of performance and jurisdiction**
In respect of the shares proposed in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.

**6. Performance data**
Past performance is no guarantee of future performance. The performance data do not take into account commissions and fees received at the occasion of the issue and redemption of shares.

**7. Additional Information for Shares of the Company listed on the SIX Swiss Exchange before August 1, 2020**

| *Sub-Fund* | *Share Class* | *Swiss Security Number* | *ISIN* | *Trading currency* |
|---|---|---|---|---|
| **ESG Dividend Europe** | UCITS ETF CAP | 37665013 | LU1615090864 | EUR |
| **ESG Low Vol Europe** | UCITS ETF CAP | 32897476 | LU1377381717 | EUR |
| ESG Low Vol Europe | UCITS ETF DIS | 35024301 | LU1481201025 | EUR |
| **ESG Low Vol US** | UCITS ETF CAP | 32897485 | LU1377381980 | EUR |
| ESG Low Vol US | UCITS ETF DIS | 35025324 | LU1481201298 | EUR |
| ESG Low Vol US | UCITS ETF USD CAP | 35025327 | LU1481201371 | USD |
| **ESG Momentum Europe** | UCITS ETF CAP | 32897493 | LU1377382012 | EUR |
| ESG Momentum Europe | UCITS ETF DIS | 35025341 | LU1481201538 | EUR |
| **ESG Quality Europe** | UCITS ETF CAP | 32897503 | LU1377382103 | EUR |
| ESG Quality Europe | UCITS ETF DIS | 35025343 | LU1481201611 | EUR |

| | | | | |
|---|---|---|---|---|
| **ESG Value Europe** | UCITS ETF CAP | 32897513 | LU1377382285 | EUR |
| ESG Value Europe | UCITS ETF DIS | 35025353 | LU1481201702 | EUR |
| **Low Carbon 100 Europe PAB** | UCITS ETF CAP | 36565927 | LU1377382368 | EUR |
| **FTSE EPRA Nareit Eurozone Capped** | UCITS ETF CAP | 21959270 | LU0950381748 | EUR |
| FTSE EPRA Nareit Eurozone Capped | UCITS ETF QD DIS | 1854594 | LU0192223062 | EUR |
| **Energy & Metals Enhanced Roll** | UCITS ETF RH EUR CAP | 37974739 | LU1547516291 | EUR |
| Energy & Metals Enhanced Roll | UCITS ETF EUR CAP | 31698012 | LU1291109616 | EUR |
| Energy & Metals Enhanced Roll | UCITS ETF CAP | 31811651 | LU1291109533 | USD / CHF |

The listing of the Company's Shares on the SIX Swiss Exchange allows investors not only to subscribe for or redeem shares directly with the Company, but also to acquire or sell the Company's Shares on a secondary, liquid and regulated market, i.e., on the stock exchange, through the intermediary of SIX Swiss Exchange. The terms and conditions for the subscription or redemption of the Company's shares are specified in this prospectus.

The complete and updated list of the banking institution(s) appointed by the Company to act as Market Maker for the trading of the Company's shares listed on SIX Swiss Exchange is available and freely consultable on the website of SIX Swiss Exchange: www.six-swiss-exchange.com.

The role of the Market Maker is to maintain a market for the Company's Shares for which it has been appointed as Market Maker and, in this context, to enter the buying and selling prices of the Company's Shares into the trading system of SIX Swiss Exchange.

In accordance with FINMA practice, the Market Maker is obliged to ensure that the difference between (i) the net asset value per share and (ii) the price at which investors can buy and sell the shares on SIX Swiss Exchange, is reduced to a reasonable level.

Pursuant to the Market Making Agreement between SIX Swiss Exchange and the Market Maker, the Market Maker is obliged to maintain a market in the Company's shares at SIX Swiss Exchange within a given framework and under normal market conditions and, in this context, to enter the bid and offer prices for these shares into the trading system of SIX Swiss Exchange with a spread that shall not exceed 2% if at least 50% of the securities included in the index can be traded simultaneously on SIX Swiss Exchange and the exchanges on which these securities are listed, and 5% if more than 50% of the securities included in the index cannot be traded simultaneously due to differences in the time slots of SIX Swiss Exchange and the exchanges on which these securities are listed. These obligations are only applicable under ordinary market conditions.

**8. Additional Information for Shares of the Company listed on the SIX Swiss Exchange after August 1, 2020**

This prospectus together with the most recent annual and semi-annual reports of the Fund constitute the listing prospectus for the listing of the Shares of the Company on the SIX Swiss Exchange (the "**SIX**").

This part of the prospectus is limited to reflecting information not already contained in the prospectus.

**(a) Listing in Switzerland / Trading currency**

The shares of the following sub-funds of the Company are listed in accordance with the Standard for Collective Investment Schemes of the SIX. The Regulatory Board of the SIX has approved the listings requested by the Company.

| *Sub-fund* | *Share class* | *Swiss Security Number* | *ISIN* | *Trading currency* | *Other listings* |
|---|---|---|---|---|---|
| **BNP Paribas Easy Energy & Metals Enhanced Roll** | UCITS ETF – CAP | 31811651 | LU1291109533 | USD | Euronext Paris |
| **BNP Paribas Easy Energy & Metals Enhanced Roll** | UCITS ETF EUR – CAP | 31698012 | LU1291109616 | EUR | Euronext Amsterdam, Xetra, Borsa Italiana |
| **BNP Paribas Easy Energy & Metals Enhanced Roll** | UCITS ETF RH EUR – CAP | 37974739 | LU1547516291 | EUR | Euronext Paris, Xetra |
| **EUR Corp Bond SRI PAB (previously € Corp Bond SRI PAB)** | UCITS ETF CAP | 46003335 | LU1859444769 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **EUR Corp Bond SRI PAB 1-3Y (previously € Corp Bond SRI PAB 1-3Y)** | UCITS ETF DIS | 50465489 | LU2008760592 | EUR | Euronext Paris, Xetra, Borsa Italiana |

| | | | | | |
|---|---|---|---|---|---|
| **EUR Corp Bond SRI PAB 3-5Y (previously € Corp Bond SRI PAB 3-5Y)** | UCITS ETF DIS | 50465500 | LU2008761053 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **ECPI Circular Economy Leaders** | UCITS ETF USD CAP | 124525298 | LU2533810276 | USD | Euronext Paris, Xetra |
| **ECPI Global ESG Blue Economy** | UCITS ETF USD CAP | 124511437 | LU2533813296 | USD | Euronext Paris, Xetra |
| **ECPI Global ESG Hydrogen Economy** | UCITS ETF USD CAP | 124511416 | LU2533813023 | USD | Euronext Paris, Xetra |
| **JPM ESG EMBI Global Diversified Composite (to be rename JPM Screened EMBI Diversified Composite as of 9 January 2026)** | UCITS ETF CAP | 39377916 | LU1547515053 | USD | Euronext Paris, Xetra |
| **JPM ESG EMU Government Bond IG (to be rename JPM Tilted EMU Government Bond IG as of 9 January 2026)** | UCITS ETF CAP | 36550175 | LU1481202692 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **JPM ESG EMU Government Bond IG 1-3Y (to be rename JPM Tilted EMU Government Bond IG 1-3Y as of 9 January 2026)** | UCITS ETF CAP | 124941822 | LU2533810862 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **JPM ESG EMU Government Bond IG 3-5Y (to be rename JPM Tilted EMU Government Bond IG 3-5Y as of 9 January 2026)** | UCITS ETF CAP | 59657690 | LU2244387457 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **ESG Enhanced EUR Corp Bond (previously Sustainable EUR Corporate Bond)** | UCITS ETF CAP | 131373120 | LU2697596745 | EUR | Xetra, Borsa Italiana |
| **ESG Enhanced EUR Corp Bond (previously Sustainable EUR Corporate Bond)** | UCITS ETF DIS | 131373128 | LU2697596828 | EUR | Xetra |
| **Sustainable EUR Government Bond** | UCITS ETF CAP | 132281645 | LU2697597552 | EUR | Xetra, Borsa Italiana |
| **Sustainable EUR Government Bond** | UCITS ETF DIS | 132281621 | LU2697597719 | EUR | Xetra |
| **MSCI Emerging Min TE (previously MSCI Emerging ESG Filtered Min TE)** | UCITS ETF EUR CAP | 31062090 | LU1291097779 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **MSCI EMU Min TE (previously MSCI EMU ESG Filtered Min TE)** | UCITS ETF CAP | 31057878 | LU1291098827 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |
| **MSCI Europe Min TE (previously MSCI Europe ESG Filtered Min TE)** | UCITS ETF CAP | 31058185 | LU1291099718 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |
| **MSCI Japan Min TE (previously MSCI Japan ESG Filtered Min TE)** | UCITS ETF CAP | 31062444 | LU1291102447 | EUR / CHF | Euronext Paris, Xetra, BMV (Mexico) |
| **MSCI USA Min TE (previously MSCI USA ESG Filtered Min TE)** | UCITS ETF CAP | 31059562 | LU1291104575 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |
| **MSCI Pacific ex Japan Min TE (previously MSCI Pacific ex Japan ESG Filtered Min TE)** | UCITS ETF CAP | 31059451 | LU1291106356 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |
| **ECPI Circular Economy Leaders** | UCITS ETF EUR CAP | 47567417 | LU1953136527 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana, BMV (Mexico) |
| **ECPI Global ESG Blue Economy** | UCITS ETF EUR CAP | 57010977 | LU2194447293 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |
| **ECPI Global ESG Hydrogen Economy** | UCITS ETF EUR CAP | 116678813 | LU2365458145 | EUR / CHF | Euronext Paris, Xetra, Borsa Italiana |

| | | | | | |
|---|---|---|---|---|---|
| **ESG Eurozone Biodiversity Leaders PAB** | UCITS ETF CAP | 119768704 | LU2446381555 | EUR | Euronext Paris, Xetra, Borsa Italiana |
| **MSCI EMU SRI PAB (previously MSCI EMU SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 50268795 | LU1953137681 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **MSCI Europe Small Caps SRI PAB (previously MSCI Europe Small Caps SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 31058413 | LU1291101555 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **MSCI Europe SRI PAB (previously MSCI Europe SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 40894532 | LU1753045332 | EUR | Euronext Paris, Xetra, Bolsa Mexicana de Valores (BMV Mexico) |
| **MSCI China Min TE (previously MSCI China ESG Filtered Min TE)** | UCITS ETF CAP | 112414719 | LU2314312922 | USD / CHF | Euronext Paris, Xetra |
| **MSCI Emerging SRI PAB (previously MSCI Emerging SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 31137215 | LU1291098314 | USD | Euronext Paris, Xetra, Bolsa Mexicana de Valores (BMV Mexico) |
| **MSCI Japan SRI PAB (previously MSCI Japan SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 40894696 | LU1753045845 | EUR | Euronext Paris, Xetra, Bolsa Mexicana de Valores (BMV Mexico) |
| **MSCI USA SRI PAB (previously MSCI USA SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 31062956 | LU1291103338 | USD | Euronext Paris, Xetra, Bolsa Mexicana de Valores (BMV Mexico) |
| **MSCI World SRI PAB (previously MSCI World SRI S-Series PAB 5% Capped)** | UCITS ETF CAP | 31064043 | LU1291108642 | USD | Euronext Paris, Xetra, Bolsa Mexicana de Valores (BMV Mexico) |
| **Low Carbon 300 World PAB** | UCITS ETF CAP | 111437576 | LU2194449075 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **JPM ESG Green Social & Sustainability IG EUR Bond (to be rename JPM Screened Green Social & Sustainability IG EUR Bond as of 9 January 2026)** | UCITS ETF CAP | 115487421 | LU2365458814 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **JPM ESG EMU Government Bond IG 10Y+ (to be rename JPM Tilted EMU Government Bond IG 10Y+ as of 9 January 2026)** | UCITS ETF CAP | 134148096 | LU2742533636 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **EUR Corp Bond SRI PAB 7-10Y (previously € Corp Bond SRI Fossil Free 7-10Y)** | UCITS ETF CAP | 134238889 | LU2742532828 | EUR | Euronext Paris, Borsa Italiana, Xetra |
| **JPM ESG EMBI Global Diversified Composite (to be rename JPM Screened EMBI Diversified Composite as of 9 January 2026)** | UCITS ETF H EUR CAP | 39377919 | LU1547515137 | EUR | Euronext Paris, Xetra, Borsa Italiana. |
| **JPM ESG EMBI Global Diversified Composite (to be rename JPM Screened EMBI Diversified Composite as of 9 January 2026)** | UCITS ETF H CAP | 137255735 | LU2868143954 | CHF | Xetra |
| **MSCI Japan ESG Filtered Min TE** | UCITS ETF H EUR CAP | 35551144 | LU1481203070 | EUR | Euronext Paris, Xetra, Borsa Italiana. |
| **Sustainable Europe** | UCITS ETF CAP | 139433331 | LU2881684745 | EUR | N.A. |

| | | | | | |
|---|---|---|---|---|---|
| **FTSE EPRA Nareit Developed Europe Green CTB** | UCITS ETF QD DIS | 139318591 | LU2914558916 | EUR | N.A. |
| **Easy S&P 500 II** | UCITS ETF CAP | 144014988 | LU2993390504 | CHF/ USD | Euronext Paris, Xetra, |
| **Bloomberg Europe Defense** | UCITS ETF CAP | 145046578 | LU3047998896 | EUR/ CHF | Euronext Paris, Xetra, Borsa Italiana. |
| **Alpha Enhanced Global High Yield** | UCITS ETF CAP | 144428578 | LU2993401392 | USD | Euronext Paris, Xetra, London Stock Exchange |
| **Alpha Enhanced USD Corp Bond (previously Alpha Enhanced USD Corporate Bond)** | UCITS ETF CAP | 144126666 | LU2993397939 | USD | Euronext Paris, Xetra, London Stock Exchange |
| **Alpha Enhanced EUR Corp Bond (previously Alpha Enhanced € Corporate Bond)** | UCITS ETF CAP | 144771946 | LU2993394241 | EUR | Euronext Paris, Xetra, London Stock Exchange |
| **Alpha Enhanced Europe** | UCITS ETF CAP | 145101956 | LU2993402101 | EUR | Euronext Paris, Xetra, London Stock Exchange |
| **EUR Overnight (previously € Overnight)** | UCITS ETF CAP | 144956046 | LU3025345516 | EUR | Euronext Paris, Xetra, London Stock Exchange |
| **Bloomberg US Treasury** | UCITS ETF CAP | 149766675 | LU3086272419 | USD | Xetra |
| **Bloomberg US Treasury 1-3Y** | UCITS ETF CAP | 149055452 | LU3086267096 | USD | Xetra |
| **MSCI Europe** | UCITS ETF CAP | 149760957 | LU3086268573 | EUR | Euronext Paris, Xetra |
| **MSCI Japan** | UCITS ETF CAP | 149760971 | LU3086269894 | EUR | Euronext Paris, Xetra |
| **Global Aggregate Bond SRI Fossil Free** | UCITS ETF CAP | 140825229 | LU2823895250 | USD | Xetra |
| **MSCI Emerging** | UCITS ETF CAP | 148617793 | LU3086273813 | USD | Xetra |
| **MSCI Emerging Ex China** | UCITS ETF CAP | 149398074 | LU3086264317 | USD | Xetra |
| **MSCI ACWI** | UCITS ETF CAP | 148166129 | LU3086265710 | USD/CHF | Xetra |
| **Bloomberg US Treasury 3-7Y** | UCITS ETF CAP | 152082462 | LU3215529275 | USD | Xetra |
| **Bloomberg US Treasury 7-10Y** | UCITS ETF CAP | 153147261 | LU3215530521 | USD | Xetra |
| **MSCI EMU** | UCITS ETF CAP | 152131297 | LU3215536486 | EUR | Euronext Paris, Xetra |
| **ESG Enhanced EMU** | UCITS ETF CAP | 149153405 | LU3086268227 | EUR | Euronext Paris, Xetra |

**(b) Market Maker**

The listing of the Company's shares on the SIX allows investors, in addition to subscribing or redeeming shares directly with the Company, to acquire or sell the Company's shares on a secondary, liquid and regulated market, i.e. on the stock exchange, through the SIX. The terms and conditions for the subscription or redemption of the Fund's shares are specified in this prospectus.

The complete and updated list of the banking institution(s) appointed by the Fund to act as Market Maker for the trading of the Company's shares listed on the SIX is available and freely consultable on the website of the SIX Swiss Exchange: www.six-swiss-exchange.com.

The role of the Market Maker is to maintain a market for the Company's shares, for which it has been appointed as market maker, and, in this context, to enter the buying and selling prices of the Company's Shares into the trading system of the SIX.

In accordance with the practice of FINMA, the Market Makers shall ensure that the difference between (i) the Intraday Net Asset Value per Share (calculated on the basis of the Net Asset Value per Share and adjusted to reflect price variations resulting from

the trading of the underlying securities contained in the index of the relevant Fund (the "**Intraday Net Asset Value**" also referred to as "**indicative NAV**") and (ii) the price at which investors may buy and/or sell the Shares on the SIX be reduced to a reasonable level. On the basis of the market making agreements concluded between the SIX and each of the Market Makers from time to time, the Market Makers are under an obligation to maintain on the SIX, within a determined spread under normal market conditions, a market for the Shares of the Sub-Funds and, in this context, are under the obligation to maintain in the trading system of the SIX a price to buy and sell the Shares of the Sub-Funds with the following maximum spreads:

| *Type of ETF* | *Applicable spread* |
|---|---|
| ETF on commodities indices | If trading on the domestic market of at least 50% of underlyings has been opened, the market maker shall provide bid and ask prices which do not differ from the indicative NAV (net asset value) by more than 2% (+/- 1% on either side)<br><br>If trading on the domestic market of at least 50% of underlyings has not been opened, the market maker shall provide bid and ask prices with a maximum trading spread of 3%. |
| ETF on share indices | If trading on the domestic market of at least 50% of underlyings has been opened, the market maker shall provide bid and ask prices which do not differ from the indicative NAV (net asset value) by more than 2% (+/- 1% on either side)<br><br>If trading on the domestic market of at least 50% of underlyings has not been opened, the market maker shall provide bid and ask prices with a maximum trading spread of 5% |
| ETF on fixed income indices | • for money market products: 0.1% (+/- 0.05% on either side of the iNAV, if available)<br><br>• for money market products not traded in the fund currency: 0.5% (+/- 0.25% on either side of the iNAV, if available)<br><br>• for government bonds, supranationals and similar bonds with a term of less than 3 years: 0.5% (+/- 0.25% on either side of the iNAV, if available)<br><br>• for government bonds, supranationals and similar bonds with a term of more than 3 years and for investment-grade corporate bonds: 1.0% (+/- 0.5% on either side of the iNAV, if available)<br><br>• for emerging market bonds and non-investment-grade corporate bonds: 2.0% (+/- 1.0% on either side of the iNAV, if available) |

# BOOK III

**Pre-contractual disclosures**

**for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of SFDR and Article 6, first paragraph, of the Taxonomy Regulation and in Article 9, paragraphs 1 to 4a, of SFDR and Article 5, first paragraph, of the Taxonomy Regulation.**

**Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name:** BNP Paribas Easy ESG Enhanced EUR Corp Bond **Legal identifier:** 213800PJ9ZYPF822NM47

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

# SUSTAINABLE INVESTMENT OBJECTIVE

## Does this financial product have a sustainable investment objective?

| ☒ Yes | ☐ No |
|---|---|
| ☒ It will make a minimum of **sustainable investments with an environmental objective:** 50% | ☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments |
| ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☐ with a social objective |
| ☒ It will make a minimum of **sustainable investments with a social objective:** 15% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

## What is the sustainable investment objective of this financial product?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main pat of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for

example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation "POSITIVE" or "NEUTRAL" from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm "DNSH" principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

The proportion of investments of the financial product made in economic activities and that qualify as sustainable investments under the SFDR may contribute to the environmental objectives as defined under Taxonomy Regulation: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention

and control, the protection and/or restoration of biodiversity and ecosystems. The extent to which the sustainable investments with an environmental objective are aligned with the EU Taxonomy will be disclosed in the annual report of the financial product.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

### *What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy;
- The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR.
- The percentage of the financial product's portfolio EU Taxonomy aligned.

### *How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?*

Sustainable investments that the product intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

#### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:
Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

## Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment,

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and, governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the

nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Product's investment universe consists of the securities of the Bloomberg Euro Aggregate Corporate Index (LECPTREU Index) (the "Benchmark Index").

To achieve its investment objective, the Product implements a strategy (the "Strategy") which (i) applies a binding and significant ESG integration approach based on ESG criteria such as, but not limited to, energy efficiency, respect of human and workers' rights, board of directors independence, and improves its ESG profile while aiming at reducing its environmental footprint, as measured by greenhouse gas (GHG) intensity, compared to the Benchmark Index, and (ii) aims at achieving a comparable performance versus the one of the Benchmark Index (as opposed to outperforming the latter).

The Strategy is constructed to select securities to consistently achieve especially the following targets:

- a portfolio's ESG score higher than the ESG score of the Benchmark Index after eliminating at least 30% of securities based on ESG Scores and exclusions applied to the sub-fund ("rating improvement approach"),

- a minimum proportion of 95% of sustainable investments as defined as defined in Article 2 (17) of SFDR, and

- a portfolio's GHG intensity lower than the GHG intensity of the Benchmark Index.

The ESG integration approach involves especially the evaluation of the three below non-financial criteria at the level of the issuers in which the Strategy invests:

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;

- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores enable to assist in the ESG evaluation of securities' issuers.

The Strategy may be partially composed of green and/or social and/or sustainability bonds.

The Product will invest at least 90% of its assets in fixed rate euro-denominated debt securities comprised in the Benchmark Index and with an investment grade credit rating.

The extra-financial analysis coverage is at least 90% of the assets of the Product (excluding ancillary liquid assets) and is based on the BNP PARIBAS ASSET MANAGEMENT proprietary extra-financial framework as further described in Book I, Sustainable Investment Policy.

Furthermore, the Strategy does not select companies that do not comply with the BNP PARIBAS ASSET MANAGEMENT Responsible Business Conduct ("RBC") Policy based on 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies, as set out in Book I.

The universe of the Product's portfolio holdings consists of the components of the Benchmark Index. However, consequently to the application of the ESG integration approach, their weightings may deviate from those of the Benchmark Index and the Product may not invest in some Benchmark Index components. As such, the Product is actively managed.

An extra-financial strategy may comprise methodological limitations such as the ESG Investment Risk as defined by the asset manager.

To aim at achieving a comparable performance versus the one of the Benchmark Index, the sub-fund applies tracking-error, sector and duration controls towards the Benchmark Index.

The elements of the investment strategy to attain the sustainable investment objective by this financial product as described below are systematically integrated throughout the investment process.

### *What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?*

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;
  More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).
- The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website(https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ –section « PAB exclusions for ESMA Guidelines »).
- The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/.
- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the proprietary ESG methodology. The weight of each of the three pillars, E, S and G, is respectively of minimum 20% in the scoring framework.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus, after eliminating at least 30% of securities, based on ESG scores and exclusions applied to the sub-fund.
- The financial product shall invest at least 95% of its assets in “sustainable investments” as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as “sustainable investment” are indicated in the above question “What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives” and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.
- The financial product’s shall invest at least 1% of its assets in companies “EU Taxonomy Aligned”.
- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).
- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

**Good governance** practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

### *What is the policy to assess good governance practices of the investee companies?*

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence

§ Accountability of directors,
§ Financial expertise of the Audit Committee,
§ Respect of shareholders rights and absence of antitakeover devices
§ The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),Tax disclosure,
§ An assessment of prior negative incidents relating to governance.

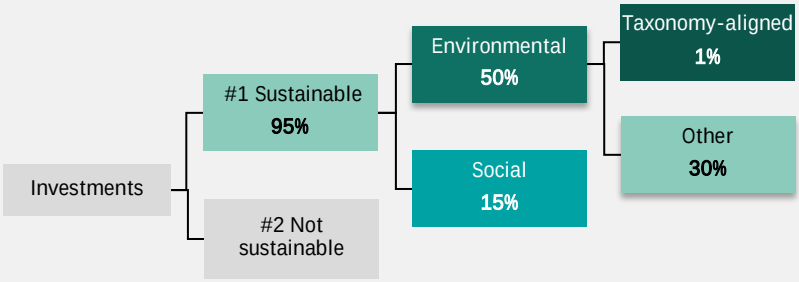
The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation and the minimum share of sustainable investments?

The minimum proportion of sustainable investments used to meet the sustainable objective of the financial product is 95%.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the sustainable investments of the financial product will be available in the annual report.

**Asset allocation** describes the share of investments in specific assets.




**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### *How does the use of derivatives attain the sustainable investment objective?*

Financial derivative instruments may be used for hedging and/or efficient portfolio management purposes. Either these instruments are not used to attain the sustainable investment objective of the product, or they are aligned with the sustainable investment objective of the financial product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the environmental objectives climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The investment manager is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus and Taxonomy-alignment commitments updates will be made accordingly.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. In addition, all activities that can make a substantial

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

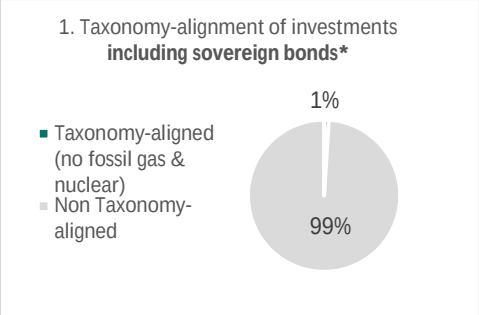
- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

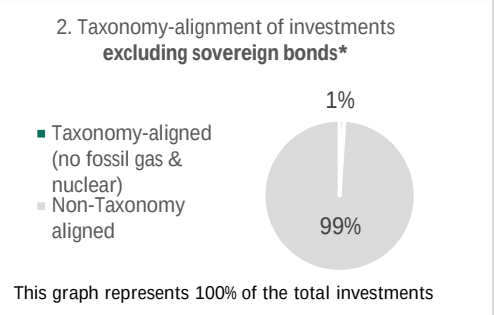
  ☐ Yes:

  ☐ In fossil gas ☐ In nuclear energy

  ☒ No

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- *What is the minimum share of investments in transitional and enabling activities?*

The minimum share of investments in transitional and enabling activities is 0%.



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 30%.

The objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU



## What is the minimum share of sustainable investments with a social objective?

The minimum share of socially sustainable investments within the financial product is 15%.



## What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments is made in instruments used for liquidity and/or hedging purposes, such as cash, deposits and derivatives.

The investment manager will ensure that those investments are made while maintaining the sustainable investment objective of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of meeting the sustainable investment objective of the financial product.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- *How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?*

Not applicable.

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

  Not applicable.

- *How does the designated index differ from a relevant broad market index?*

  Not applicable.

- *Where can the methodology used for the calculation of the designated index be found?*

  Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product

## DISCLAIMER

Every ad hoc pre-contractual document, shall be read in conjunction with the prospectus in force In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ALPHA ENHANCED EUR CORP BOND**

**Legal Entity Identifier : 213800ECW7S2KG664F70**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  - The percentage of the financial product's portfolio compliant with the RBC Policy;

  - The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;

  - The weighted average GHG intensity of the portfolio compared to the weighted average GHG intensity of its investment universe.

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into all the account principal all the adverse impactindicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*

4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a “watch list”monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, ...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 20% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall invest at least 50% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),

- Board diversity,

- Executive pay (remuneration policy),

- Board Independence, and key committees independence,

- Accountability of directors,

- Financial expertise of the Audit Committee,

- Respect of shareholders rights and absence of antitakeover devices

- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),

- Tax disclosure,

- An assessment of prior negative incidents relating to governance

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 80% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial

product.

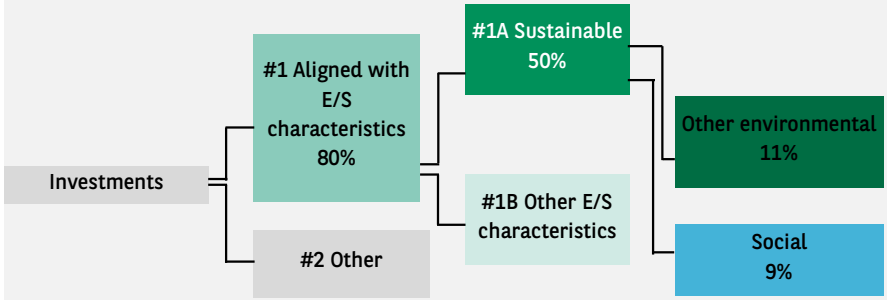
For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

Asset allocation describes the share of investments in specific assets.

The minimum proportion of sustainable investments of the financial product is 50%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

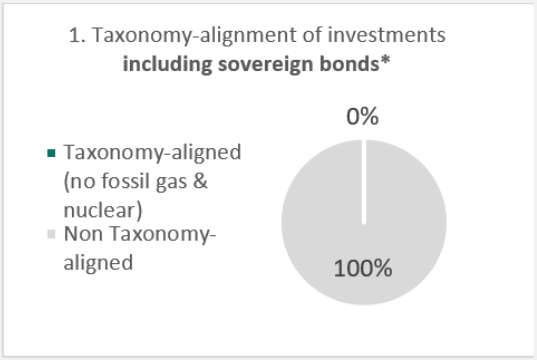
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

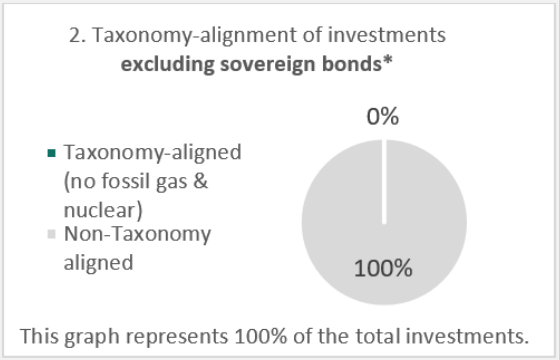
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 9%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social are characteristics promoted by the financial product.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

*Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852*

**Product name:** BNP PARIBAS EASY ALPHA ENHANCED EUROPE **Legal entity identifier:** 213800P9G7ZS58RLY703

# ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ Yes ☒ No

☐ It will make a minimum of **sustainable investments with an environmental objective**: ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: ___%

☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social and Governance (ESG) criteria using an internal ESG proprietary methodology, and by investing in issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

### *What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy;
- The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;
- The weighted average carbon footprint of the portfolio compared to the weighted average carbon footprint of its investment universe.
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

### *What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?*

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate

change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### *How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?*

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

#### *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The investment manager ensures that throughout its investment process, the financial product takes into all the account principal all the adverse impact indicators that are

relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts are taken into account:

*Corporate mandatory indicators:*

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*

*Environment*

4. Investments in companies without carbon emission reduction initiatives

*Social*

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF.

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list" monitored, as appropriate.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

## Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored

approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators*:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*

*Environment*

4. Investments in companies without carbon emission reduction initiatives

*Social*

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

To achieve the investment objective of the financial product, the investment manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights. Issuers failing to meet their fundamental obligations in the areas of human and labour rights, environment and corruption are excluded from the investment universe. The in-house sector policies relating to companies operating in sensitive areas (controversial weapons, asbestos, mining, palm oil, etc.) are implemented in order to identify and exclude companies with the worst practices.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with a significantly improved ESG profile compared to its investment universe.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

An extra-financial strategy may comprise methodological limitations such as the ESG Investment Risk as defined by the investment manager.

### *What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?*

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, ...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

  More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.
- The financial product shall have the weighted average carbon footprint of its portfolio lower than the weighted average carbon footprint of its investment universe.
- The financial product shall invest at least 40% of its assets in "sustainable investments" as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as "sustainable investment" are indicated in the above question "*What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives*" and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

### *What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?*

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### *What is the policy to assess good governance practices of the investee companies?*

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
- Financial expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

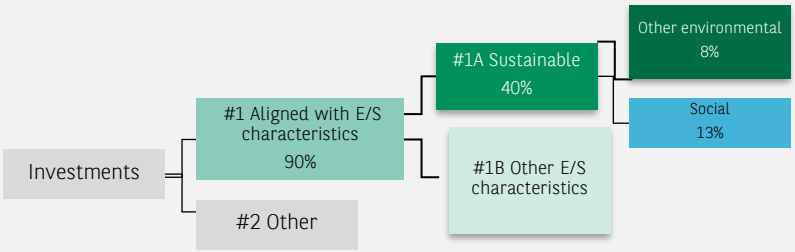
At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

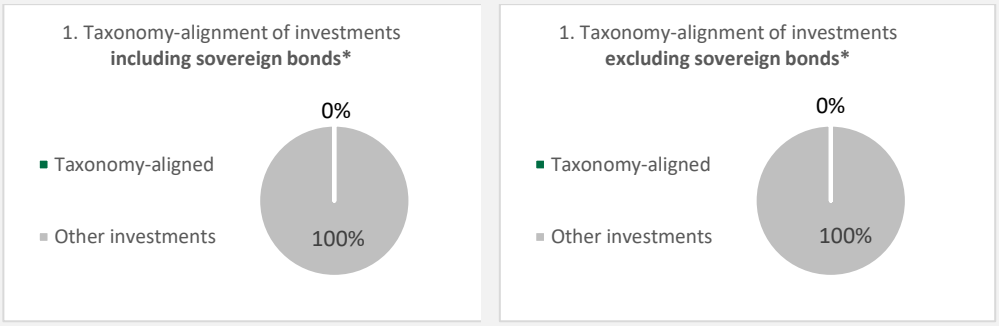
☒ No

On the date of this pre-contractual information document, the investment manager does not have the data to indicate whether the financial product intends to invest in fossil gas and/or nuclear energy activities that comply with the EU taxonomy; the "No" box is ticked accordingly.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*




* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- *What is the minimum share of investments in transitional and enabling activities?*

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 8%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 13%.

## What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

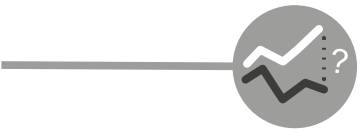
- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or
- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made

in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No reference benchmark has been designated for the purpose of attaining the environmental or social are characteristics promoted by the financial product.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

  Not applicable.

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

  Not applicable.

- *How does the designated index differ from a relevant broad market index?*

  Not applicable.

- *Where can the methodology used for the calculation of the designated index be found?*

  Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

## DISCLAIMER

Every ad hoc pre-contractual document, shall be read in conjunction with the prospectus in force In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ALPHA ENHANCED GLOBAL HIGH YIELD** **Legal Entity Identifier : 213800FG31ORXXLXAX91**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  - The percentage of the financial product's portfolio compliant with the RBC Policy;

  - The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;

  - The weighted average GHG intensity of the portfolio compared to the weighted average GHG intensity of its investment universe.

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into all the account principal all the adverse impactindicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*

4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a “watch list”monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, ...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 20% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall invest at least 20% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),

- Board diversity,

- Executive pay (remuneration policy),

- Board Independence, and key committees independence,

- Accountability of directors,

- Financial expertise of the Audit Committee,

- Respect of shareholders rights and absence of antitakeover devices

- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),

- Tax disclosure,

- An assessment of prior negative incidents relating to governance

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 80% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial

product.

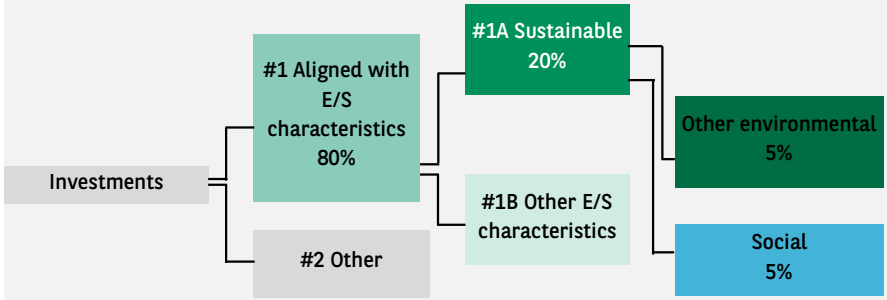
For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

**Asset allocation** describes the share of investments in specific assets.

The minimum proportion of sustainable investments of the financial product is 20%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

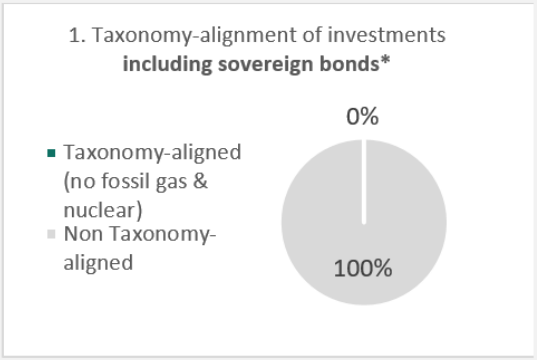
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

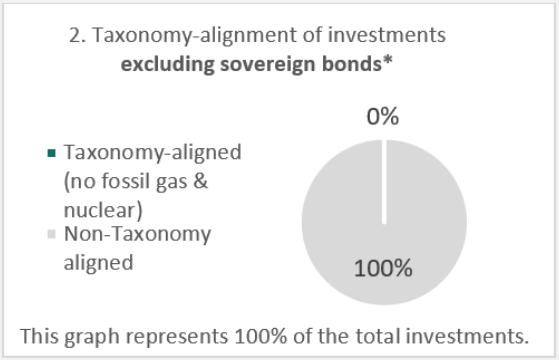
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 5%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 5%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social are characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

Not applicable.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ALPHA ENHANCED USD CORP BOND**

**Legal Entity Identifier : 213800BD8NLCOC4CIS43**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  - The percentage of the financial product's portfolio compliant with the RBC Policy;

  - The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;

  - The weighted average GHG intensity of the portfolio compared to the weighted average GHG intensity of its investment universe.

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into all the account principal all the adverse impactindicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*

4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a “watch list”monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, ...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 20% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall invest at least 35% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),

- Board diversity,

- Executive pay (remuneration policy),

- Board Independence, and key committees independence,

- Accountability of directors,

- Financial expertise of the Audit Committee,

- Respect of shareholders rights and absence of antitakeover devices

- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),

- Tax disclosure,

- An assessment of prior negative incidents relating to governance

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial

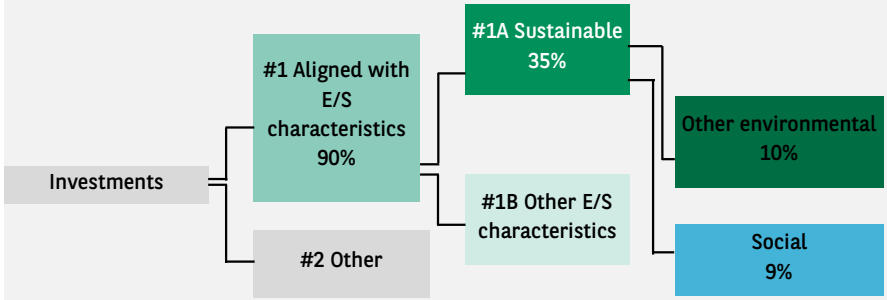
product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

Asset allocation describes the share of investments in specific assets.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

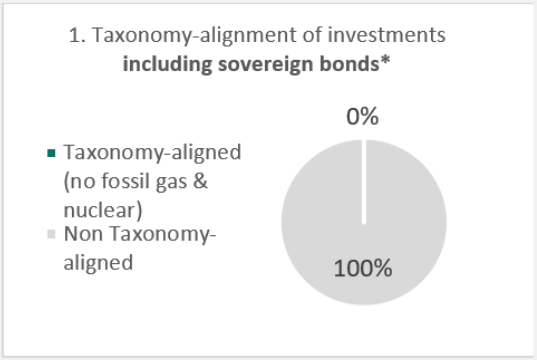
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

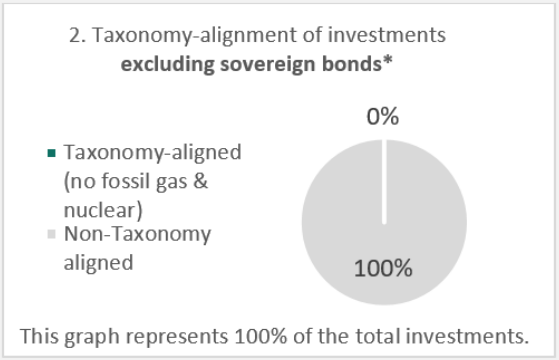
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 9%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social are characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

Not applicable.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY ESG ENHANCED EMU** **Legal Entity Identifier :** 213800DLBVMQH33PCS16

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

● ● ☐ Yes ● ○ [x] No

☐ It will make a minimum of **sustainable investments with an environmental objective**: ____%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 60% of sustainable investments

- [x] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

The weight of each of the three pillars, E, S and G, is respectively of minimum 20% in the scoring framework.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the RBC Policy

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The weighted average carbon footprint of the portfolio compared to the weighted average carbon footprint of its investment universe as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration,

sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a “watch list”monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2 895a45a-bb7a-44f6-8e48-990be2 616498/

-The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

-The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

-The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus, after eliminating at least 30% of securities, based on ESG scores and exclusions applied to the sub-fund.

- The financial product shall have the weighted average carbon footprint of its portfolio at least 50% lower than the weighted average carbon footprint of its investment universe.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 60% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

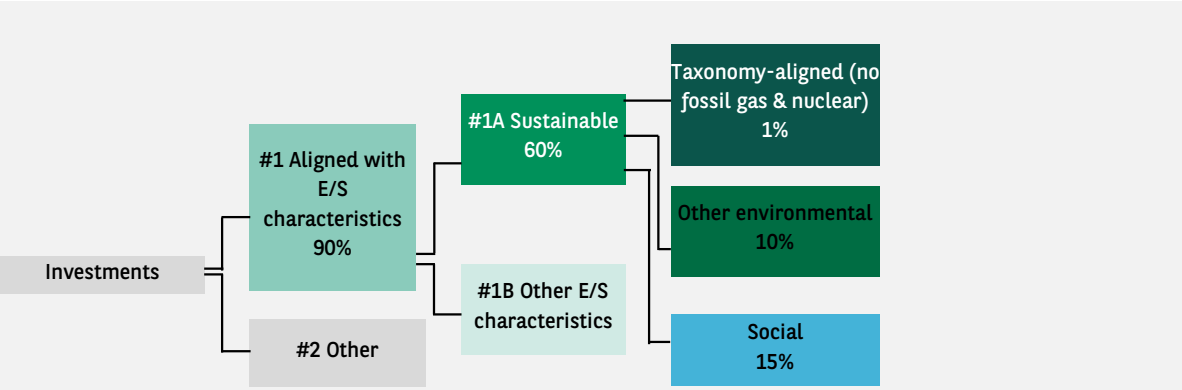
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 60%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the environmental objectives climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The Management Company is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus and Taxonomy-alignment commitments updates will be made accordingly.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. In addition, all activities that can make a substantial contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

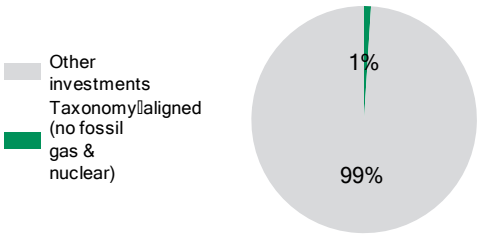
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

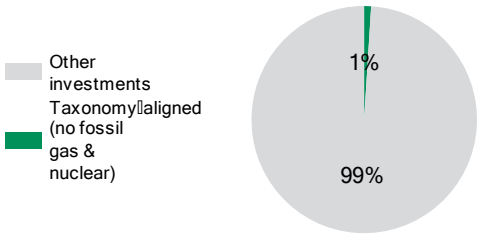
**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

1. Taxonomy-alignment of investments **including sovereign bonds***




2. Taxonomy-alignment of investments **excluding sovereign bonds***




This graph represents 100% of the total investments

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 15%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY ESG ENHANCED EUR GOVERNMENT BOND**

**Legal Entity Identifier : 213800YTVISLI3213D47**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● ☐ Yes ●○ [x] No

☐ It will make a minimum of **sustainable investments with an environmental objective**: ____%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental, social and governance practices.

The investment strategy selects sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using an internal Sovereign ESG methodology that focuses on measuring governments' efforts to produce and preserve assets, goods, and services with high ESG values, according to their level of economic development. This involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution

- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital

- Governance: business rights, corruption, democratic life, political stability, security

BNP Paribas Asset Management's Global Sustainability Strategy places a strong emphasis on combatting climate change. Therefore, given the importance of sovereigns in addressing climate change, the internal Sovereign ESG methodology includes an additional scoring component that captures the country's contribution to progress towards the net-zero goals set out in the Paris Agreement. This additional scoring component reflects countries' commitment to future targets balanced by their current policies and their forward-looking physical climate risk exposure. It combines temperature alignment methodology for determining national contributions to climate change with an assessment of the laws and policies countries have in place for addressing climate change.

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  - The percentage of the financial product's portfolio compliant with the BNP Paribas Group's controversial countries framework;

  - The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology;

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;

  - The percentage of the financial product's portfolio invested in "sustainable investments"as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The sustainable investments made by the financial product consist either of green bonds, or social bonds or sustainability bonds issued to support specific environmental and/or social projects and also qualified as sustainable investments provided that these debt securities receive an investment recommendation "POSITIVE"or "NEUTRAL"from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

  More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the following sustainable investment pillars into its investment process. These pillars are set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The investment universe is periodically screened in order with a view to identify the severe controversies affecting countries subject to social violations or violations of fundamental human rights, as described in international treaties and conventions. The BNP Paribas Group framework defining the countries that are the subject of the controversies establishes investment restrictions on certain countries and/or activities related to money laundering risks and terrorist financing.

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

The investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The investment manager proprietary methodology for defining ESG scores for notably sovereign issuers or agencies includes the consideration of various mechanisms and indicators related to Greenhouse Gas intensity but not limited to:

- Environmental indicators (GHG per capita, CO2 emissions from the energy sector, CO2 emissions from industry, CO2 emissions from gas or fuel consumption, etc.);

- Commitments to reduce greenhouse gas emissions in order to be in line with the limit of a 2°C increase, with regard to Contributions defined at the National Level;

- Policies to address climate change themes

Several measures and indicators related to social violations are integrated into the proprietary framework for defining ESG scores, including but not limited to:

- Labour and social protection (ratification or implementation in equivalent national legislation of the eight fundamental conventions identified in the International Labour Organization Declaration on Fundamental Principles and Rights at Work);

- Democratic life (responsibility, rule of law);

- Security (military expenditure, armed forces personnel, refugee population, etc.).

The result of this assessment may have an impact on valuation models as well as on the construction of the portfolio depending on the severity and importance of the identified negative impacts. Therefore, the management company takes into account the main negative impacts on sustainability throughout the investment process by relying on proprietary ESG ratings and the creation of a portfolio with an improved ESG profile compared to its invitial investment universe benchmark.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

The investment manager also actively engages with public policymakers, helping them shape the markets and the rules that guide and govern company behaviours, with a particular focus on corporate disclosure, climate policy and corporate governance.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and PrincipalAdverse Impacts considerations.
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

Yes, the product considers some principal adverse impacts on sustainability factors by systematically implementing the following sustainable investment pillars into its investment process. These pillars are set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The investment universe is periodically screened with a view to identify the severe controversies affecting countries subject to social violations or violations of fundamental human rights, as described in international treaties and conventions. The BNP Paribas Group framework defining the countries that are the subject of the controversies establishes investment restrictions on certain countries and/or activities related to money laundering risks and terrorist financing.

The investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The investment manager proprietary methodology for defining ESG scores for notably sovereign issuers or agencies includes the consideration of various mechanisms and indicators related to Greenhouse Gas intensity but not limited to:

- Environmental indicators (GHG per capita, CO2 emissions from the energy sector, CO2 emissions from industry, CO2 emissions from gas or fuel consumption, etc.);

- Commitments to reduce greenhouse gas emissions in order to be in line with the limit of a 2°C increase, with regard to Contributions defined at the National Level;

- Policies to address climate change themes

Several measures and indicators related to social violations are integrated into the proprietary framework for defining ESG scores, including but not limited to:

- Labour and social protection (ratification or implementation in equivalent national legislation of the eight fundamental conventions identified in the International Labour Organization Declaration on Fundamental Principles and Rights at Work);

- Democratic life (responsibility, rule of law);

Security (military expenditure, armed forces personnel, refugee population, etc.).

The result of this assessment may have an impact on valuation models as well as on the construction of the portfolio depending on the severity and importance of the identified negative impacts. Therefore, the management company takes into account the main negative impacts on sustainability throughout the investment process by relying on proprietary ESG ratings and the creation of a portfolio with an improved ESG profile compared to its invitial investment universe benchmark.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

The investment manager also actively engages with public policymakers, helping them shape the markets and the rules that guide and govern company behaviours, with a particular focus on corporate disclosure, climate policy and corporate governance.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

In accordance with its investment strategy, the financial product does not invest in corporate issuers. As such, it cannot invest in companies in accordance with the article 12.1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission.

- The financial product invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label as dated in the Prospectus.

- The financial product shall comply with the BNP Paribas Group's sensitive countries framework;

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology;

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus;

- The financial product shall invest at least 30% of its assets in "sustainable investments"as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as "sustainable investment"are indicated in the above question "What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives"and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

## What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:

-Separation of power (e.g. Split CEO/Chair),

- Board diversity,

- Executive pay (remuneration policy),

- Board Independence, and key committees independence

- Accountability of directors,

- Financial expertise of the Audit Committee

- Respect of shareholders rights and absence of antitakeover devices

- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),

- Tax disclosure,

- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

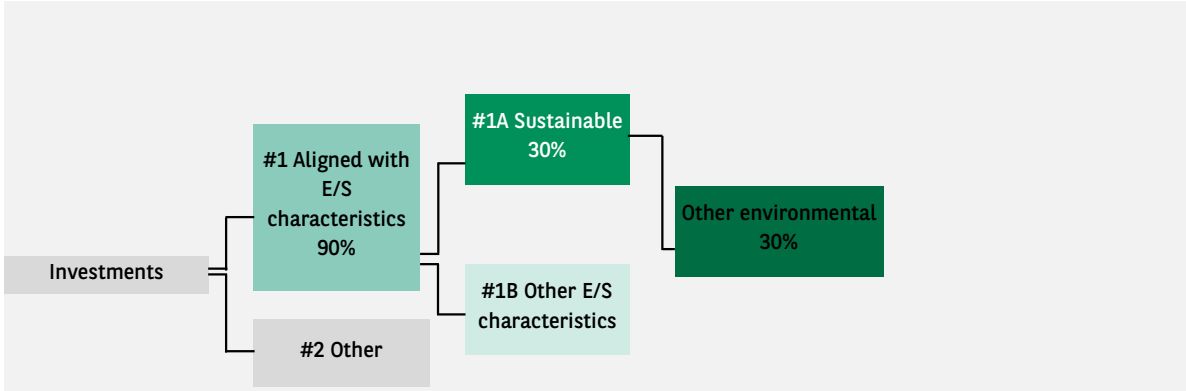
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 30%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

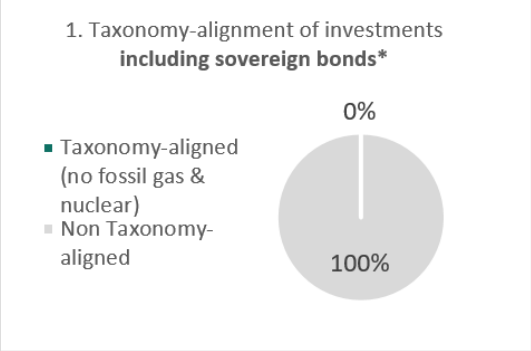
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

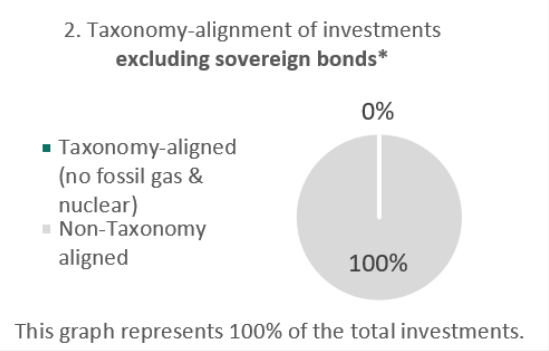
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 30%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

Not applicable

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the BNP Paribas Group's sensitive countries framework .

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  Not applicable.

- **How does the designated index differ from a relevant broad market index?**

  Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY ESG ENHANCED EUROPE** **Legal Entity Identifier :** 2138003814CKQ6R9QO24

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 60% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

The weight of each of the three pillars, E, S and G, is respectively of minimum 20% in the scoring framework.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the RBC Policy

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The weighted average carbon footprint of the portfolio compared to the weighted average carbon footprint of its investment universe as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration,

sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a “watch list”monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2 895a45a-bb7a-44f6-8e48-990be2 616498/

-The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

-The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

-The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus, after eliminating at least 30% of securities, based on ESG scores and exclusions applied to the sub-fund.

- The financial product shall have the weighted average carbon footprint of its portfolio at least 50% lower than the weighted average carbon footprint of its investment universe.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 60% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

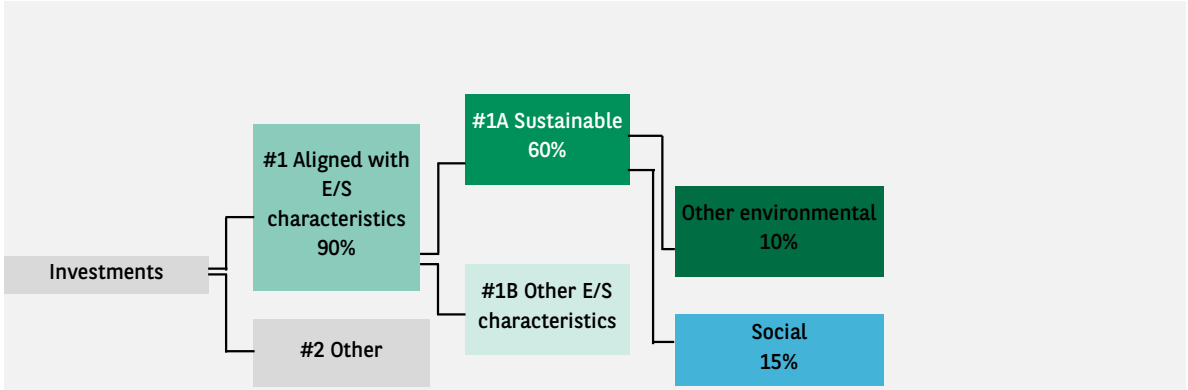
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 60%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

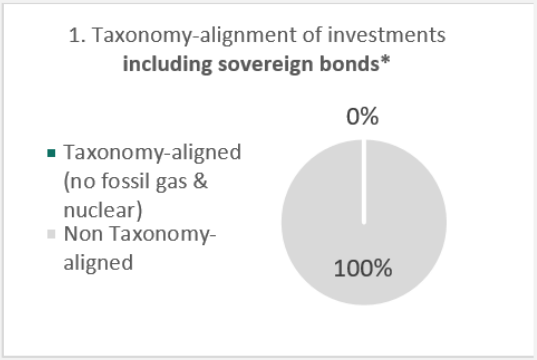
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

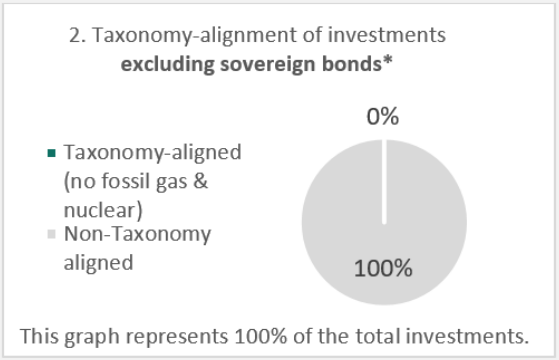
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 15%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY GLOBAL CORP BOND** **Legal Entity Identifier : 213800YMLKXZE9BEI765**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● ☐ Yes ●○ [x] No

☐ It will make a minimum of **sustainable investments with an environmental objective**: ____%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  - The percentage of the financial product's portfolio compliant with the RBC Policy;

  - The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology;

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;

  - The percentage of the financial product's portfolio invested in "sustainable investments"as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

  a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities,

sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable

investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, ...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment..
More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.

- The financial product shall have the weighted average ESG score of its portfolio higher than the

weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall invest at least 20% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance. through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance, include but are not limited to:
- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence,
- Accountability of directors,
- Financial expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices,
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

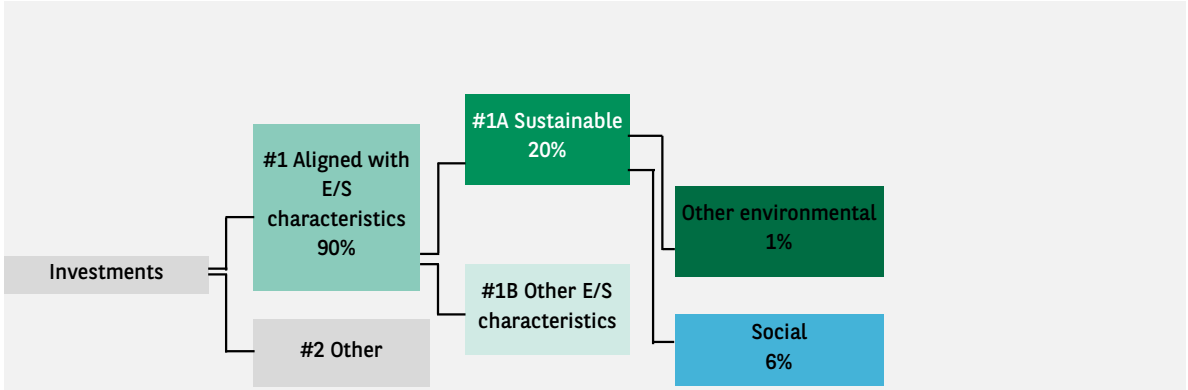
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 20%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

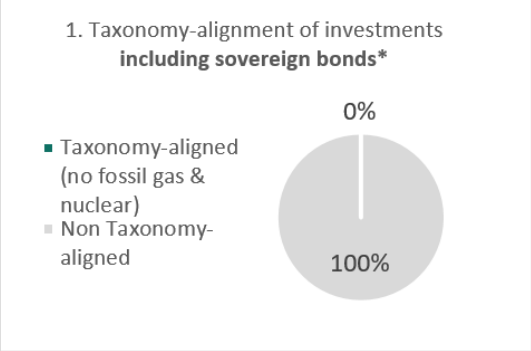
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

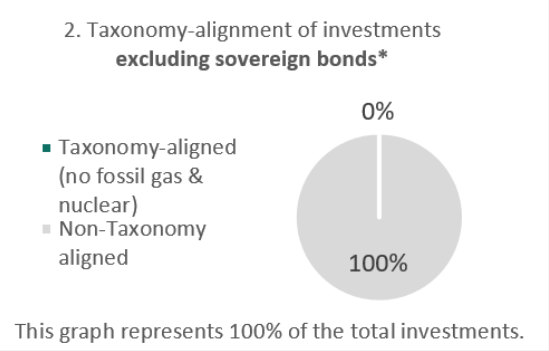
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 1%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 6%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social are characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

Not applicable.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable.

### How does the designated index differ from a relevant broad market index?

Not applicable.

### Where can the methodology used for the calculation of the designated index be found?

Not applicable.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

**Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name: BNP PARIBAS EASY JPM Screened Green Social & Sustainability IG EUR Bond** **Legal identifier: 213800QTVKCKUPE6F192**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

# SUSTAINABLE INVESTMENT OBJECTIVE

## Does this financial product have a sustainable investment objective?

| ☒ Yes | ☐ No |
|---|---|
| ☒ It will make a minimum of **sustainable investments with an environmental objective:** 50% | ☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☐ with a social objective |
| ☒ It will make a minimum of **sustainable investments with a social objective:** 7% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

## What is the sustainable investment objective of this financial product?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager uses, as of the date of the prospectus, the internal methodology of BNP Paribas Asset Management (BNPP AM) to determine sustainable investments. This methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be key components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for

example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation “POSITIVE” or “NEUTRAL” from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm “DNSH” principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

The financial product has a particular focus on green bonds that aim to be aligned with the goals of the Paris Agreement.

The J.P. Morgan ESG Green Social & Sustainability IG EUR Bond (TR) Index has been designated as a benchmark in order to achieve the financial product's sustainable investment objective.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## *What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of financial product assets covered by ESG analysis based on the third party ESG methodology used by the index provider.
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus;
- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of SFDR.

## *How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?*

Sustainable investments that the product intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product take into account principal indicators of adverse impacts by analysing these indicators within the investment process against the sustainable investment pillars defined in the Global Sustainability Strategy (GSS) of BNP Paribas Asset Management. More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:
Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

12. Unadjusted gender pay gap

13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts,
And in consultation with BNP Paribas Group CSR Team

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

## Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes, the product considers some principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and processed or mitigated, the ESG methodology and disclosures about the benchmark and/or the index provider are used.

The policy framework for analysing policy adverse impacts on the financial product is based primarily on the following three pillars:

1- Analysis of the esmbedded exclusion process analysis leading to the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process integrate into their methodology the consideration of principal adverse impacts on sustainability factors, and to what extent these ratings are used in the investment strategy;

3- Engagement and voting policy, if any.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long term investors, and dialogue with NGOs and other experts. Engagement with issuers aims to encourage them to improve their environmental, social and governance practises and, thus, mitigate potential adverse impacts. Voting at the annual general meetings of the companies in which the portfolio is invested aims to promote good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The product is an index fund passively followed.

The product seeks to replicate (with a maximum tracking error * of 1%) the performance of the J.P. Morgan ESG Green Social & Sustainability IG EUR Bond (TR) Index (Bloomberg: JPEIGSSE Index) (the Index) by investing in debt securities issued by countries and companies included in the Index, respecting the Index weights (full replication), or in a sample of debt securities issued by countries and companies included in the Index (optimised replication).

When investing in a sample of debt securities, the tracking error of the product may be higher.

The Index is composed of green, social and sustainable bonds issued in EUR in developed and emerging markets, with a focus on green bonds that are aligned with the goals of the Paris Agreement. The Environmental, Social and Corporate Governance (ESG) scoring and screening methodology (such as environmental conventions, labour rights conventions, human rights conventions etc.) is applied to favour issuers ranked above on ESG criteria and Certified Climate Bond issues, and to underweight or remove issuers that rank lower. The source of the labelling and certification of green, social and sustainable bonds is Climate Bonds Initiative, a labelling system for bonds, loans and other debt instruments, based on strict scientific criteria and consistent with the goals of the Paris Climate Agreement to limit warming to less than 2 degrees (www.climatebonds.net). As a result, issuers subject to significant violations of UN Global Compact principles and those involved in severe ESG controversies are excluded from the Index. The type of approach implemented here is thematic (the index is composed of companies that provide products and services providing concrete solutions to specific environmental and/or social challenges, seeking to benefit from the future growth anticipated in these areas while contributing capital for the transition to a low carbon, inclusive economy).The extra financial strategy of the Index may include methodological limitations such as the risk related to ESG investing or Index rebalancing.

Further information on the Index, its composition, calculation and rules for periodic review and rebalancing as well as the general methodology behind JP Morgan's ESG indices can be found at http://www.jpmorgan.com.

* tracking error is a risk indicator that measures how much a fund replicates the performance of its index.

The elements of the investment strategy to achieve the sustainable investment objective by this financial product, as described below, are systematically integrated throughout the investment process.

### *What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?*

- The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ – section « PAB exclusions for ESMA Guidelines »).
- The financial product should systematically integrate relevant ESG factors in line with its investment strategy into its investment analysis and decision making processes.
- Bonds issued by non sovereign issuers that derive revenues from nuclear energy, oil and gas, oil sands, thermal coal, tobacco or weapons, or that do not comply with the UNGC Principles, will not be eligible.
- The investment strategy of the financial product excludes issuers classified in band 5 as defined by the index provider. The index ESG scores are split into five bands, where band 1 has the highest ESG score and band 5 has the lowest ESG score.
- A third party ESG methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to the underweight or drawdown of issuers that rank lower.
- The financial product shall invest at least 95% of its assets in "sustainable investments" as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as "sustainable investment" are indicated in the above question "What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives" and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.
- The financial product invests in securities issued by eligible states following the conditions of the Central Labelling Agency (CLA) of the Towards Sustainability label dated as dated in the Prospectus.

No guarantee is given as to the application at any time of a filter or extra financial criteria. For example, and without limitation, between two index reshuffles, if a company was deemed to no longer meet ESG criteria, it can only be excluded at the next reshuffle according to the index provider's rules.

**Good governance** practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

### *What is the policy to assess good governance practices of the investee companies?*

The benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance, through a core set of standard key performance indicators with a particular focus on the board of directors, remuneration, ownership and control, and accounting practices.

Further information on the benchmark, its composition, calculation method and rules for periodic review and rebalancing as well as the general methodology behind JP Morgan's ESG indices can be found on www.jpmorgan.com.



## What is the asset allocation and the minimum share of sustainable investments?

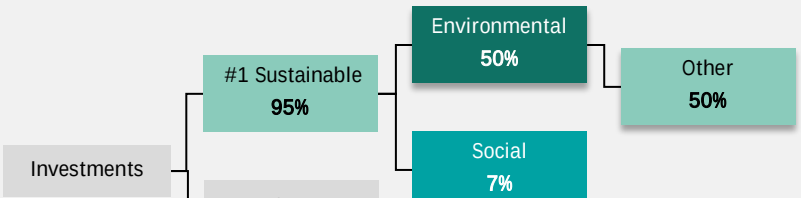
**Asset allocation** describes the share of investments in specific assets.

The minimum proportion of sustainable investments used to meet the sustainable objective of the financial product is 95%.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the sustainable investments of the financial product will be available in the annual report.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

- *How does the use of derivatives attain the sustainable investment objective?*

Financial derivative instruments may be used for hedging and/or efficient portfolio management purposes. Either these instruments are not used to attain the sustainable investment objective of the product, or they are aligned with the sustainable investment objective of the financial product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

- *Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?*

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

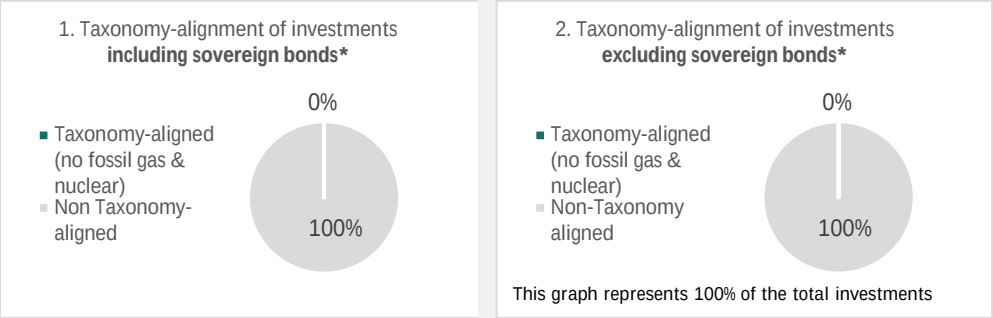
☒ No

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

*What is the minimum share of investments in transitional and enabling activities?*

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 50%.

The objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of sustainable investments with a social objective?

The minimum share of socially sustainable investments within the financial product is 7%.

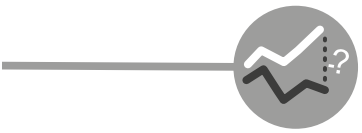
## What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

'Not sustainable' investments are instruments that are used for liquidity and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the sustainable investment objective of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the Responsible Business Conduct Policy (RBC), where applicable, through the exclusion of companies involved in controversies due to poor practises related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment..



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

The J.P. Morgan ESG Green Social & Sustainability IG EUR Bond (TR) Index has been designated as a benchmark for the purpose of achieving the sustainable investment objective of the financial product.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

  The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

  However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

- ***How does the designated index differ from a relevant broad market index?***

  The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

- ***Where can the methodology used for the calculation of the designated index be found?***

  The methodology used for the calculation of the reference benchmark can be found at : www.jpmorgan.com




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

## DISCLAIMER

Every ad hoc pre-contractual document, shall be read in conjunction with the prospectus in force In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY EUR CORP BOND SRI PAB** **Legal Entity Identifier : 213800R5FRPLL29GH115**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of Environmental (E), Social (S) and Governance (G) in MSCI's proprietary ESG rating methodology also used by Bloomberg indices may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552866 - MSCI after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology

-The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies;

-The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;

-The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

-The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and

remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG emissions of its portfolio at least 50% lower than the weighted average GHG emissions of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 30% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Bloomberg MSCI indices can be found on www.bloombergindices.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

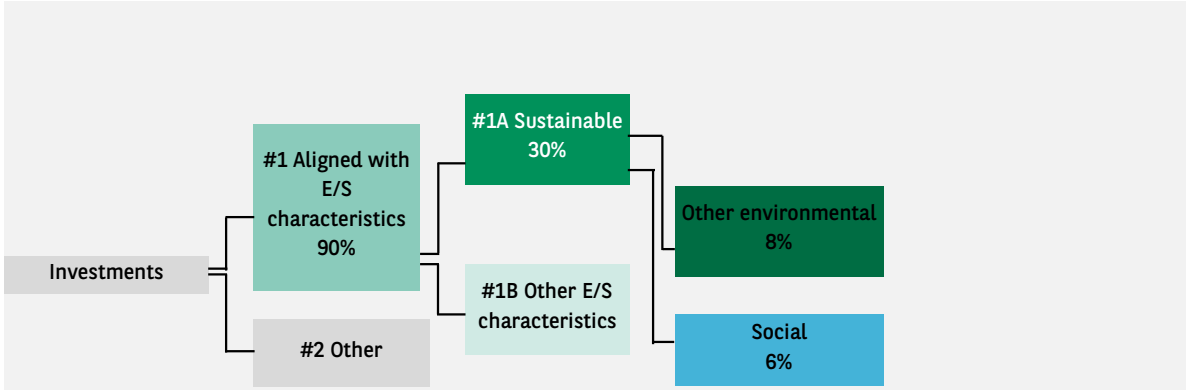
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 30%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

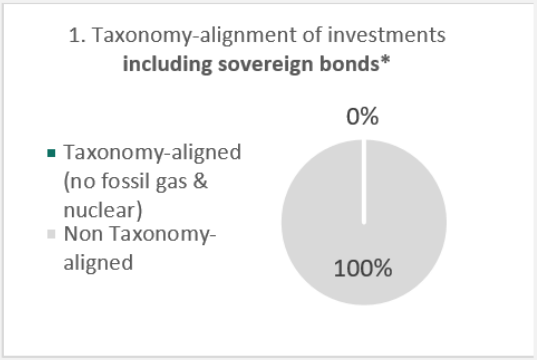
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

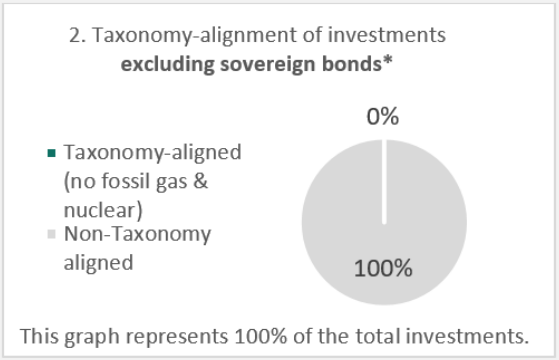
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 8%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 6%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

-the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Bloomberg MSCI Euro Corporate SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.bloombergindices.com/.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY EUR CORP BOND SRI PAB 1-3Y** **Legal Entity Identifier : 213800WUDLD3KPY86A85**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 25% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Bloomberg MSCI 1-3Y Euro Corp SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of Environmental (E), Social (S) and Governance (G) in MSCI's proprietary ESG rating methodology also used by Bloomberg indices may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552866 - MSCI after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology

-The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies;

-The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;

-The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

-The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and

remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG emissions of its portfolio at least 50% lower than the weighted average GHG emissions of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 25% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Bloomberg MSCI indices can be found on www.bloombergindices.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

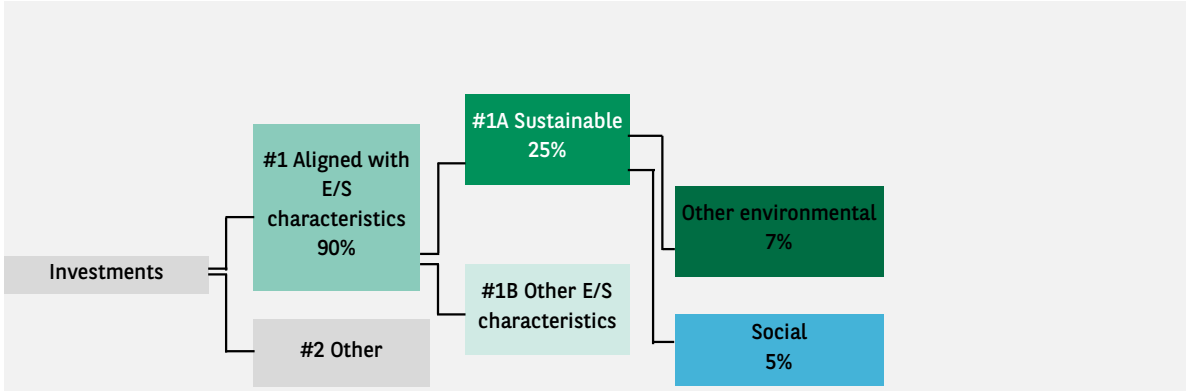
At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 25%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

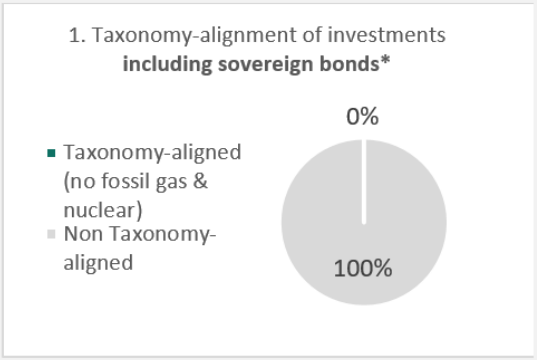
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

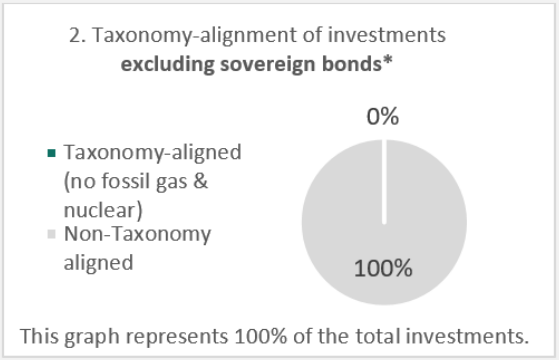
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 7%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 5%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

-the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Bloomberg MSCI 1-3Y Euro Corp SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.bloombergindices.com/.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY EUR CORP BOND SRI PAB 3-5Y**

**Legal Entity Identifier :** 213800H47ZGQHW71BE93

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Bloomberg MSCI 3-5YCorp SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of Environmental (E), Social (S) and Governance (G) in MSCI's proprietary ESG rating methodology also used by Bloomberg indices may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552866 - MSCI after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology

-The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies;

-The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;

-The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

-The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and

remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG emissions of its portfolio at least 50% lower than the weighted average GHG emissions of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 35% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Bloomberg MSCI indices can be found on www.bloombergindices.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

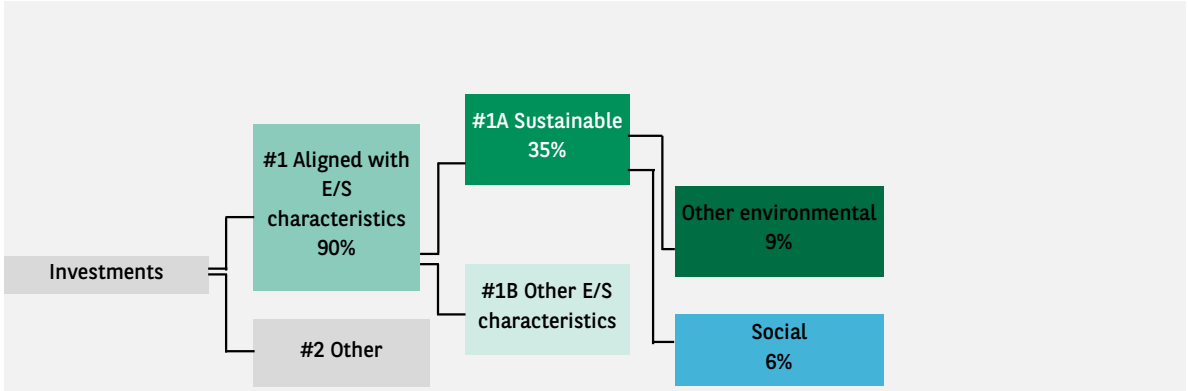
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

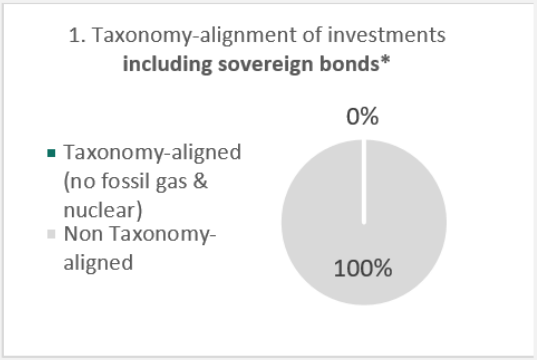
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

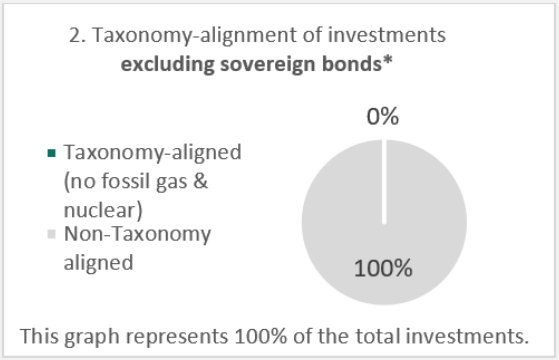
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 9%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 6%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

-the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Bloomberg MSCI 3-5YCorp SRI Sustainable Select Ex Fossil Fuel PAB (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.bloombergindices.com/.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY EUR CORP BOND SRI PAB 7-10Y**

**Legal Entity Identifier :** 213800E3SKY6YPAPAH81

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

- [ ] Yes
- [x] No

- [ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: ____%
- [x] It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Bloomberg MSCI 7-10 Year Eur Corp SRI Sustainable Select Ex Fossil Fuel (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology

  -The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies;

  -The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;

  -The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

  -The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with

the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters,

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG emissions of its portfolio at least 50% lower than the weighted average GHG emissions of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 35% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Bloomberg MSCI indices can be found on www.bloombergindices.com.



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

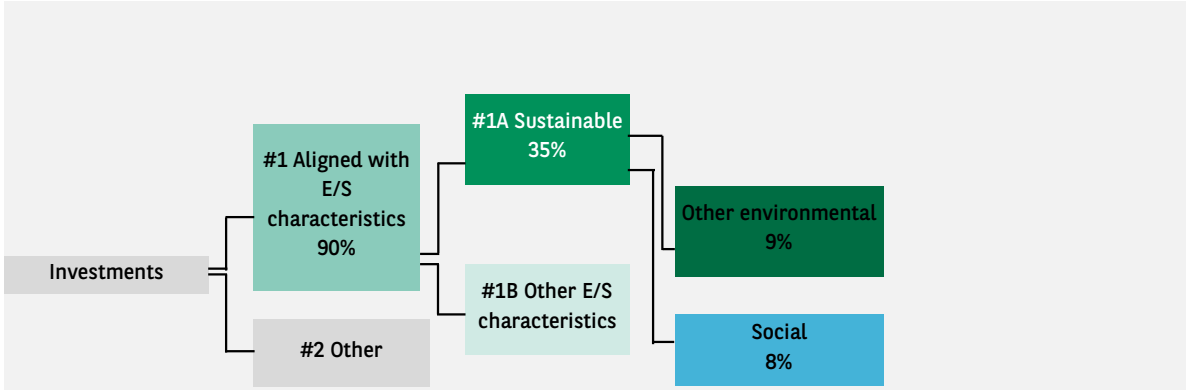
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

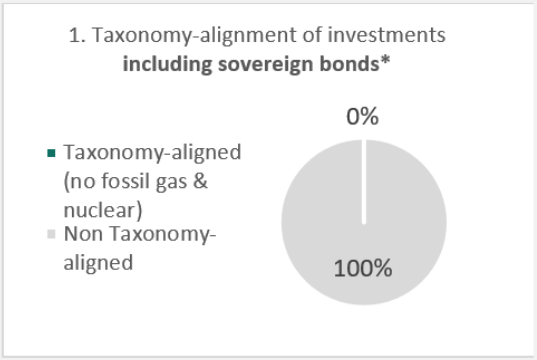
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

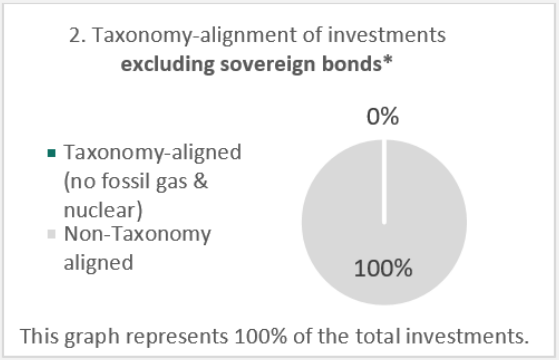
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 9%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 8%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

-the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Bloomberg MSCI 7-10 Year Eur Corp SRI Sustainable Select Ex Fossil Fuel (EUR) RI Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.bloombergindices.com/.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY DIVIDEND EUROPE** **Legal Entity Identifier : 21380079LTAMFHP5ZR65**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | |
|---|---|
| ●● ☐ Yes | ●○ [x] No |

| | |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: ____% | [x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | [x] with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ____% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy) RBC policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

The BNP Paribas High Dividend Europe Equity ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product..

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  -The percentage of the financial product's economic exposure compliant with the RBC policy;

  -The percentage of the financial product's economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);

  -The minimum percentage of the financial product's economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;

  -The weighted average ESG score of the financial product's economic exposure compared tothe weighted average ESG score of its investment universe;

  -The percentage of the financial product's economic exposure in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example

contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list"and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list"monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and

Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicators
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product's investment universe of the investment strategy shall be reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

- The financial product shall have the weighted average ESG score of its investment strategy portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 35% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product's economic exposure investment universe is reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

### What is the policy to assess good governance practices of the investee companies?

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

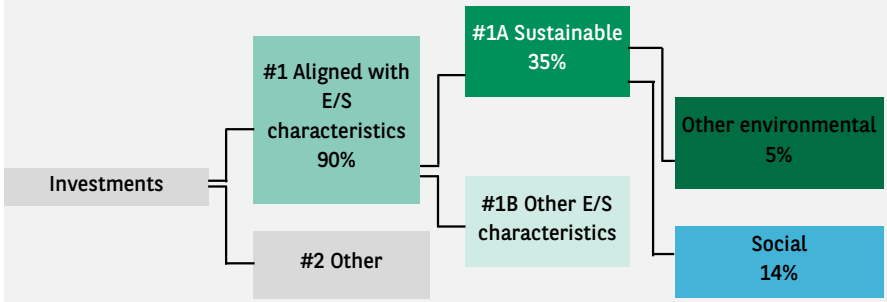
The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments

are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'substitute basket') respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings more liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

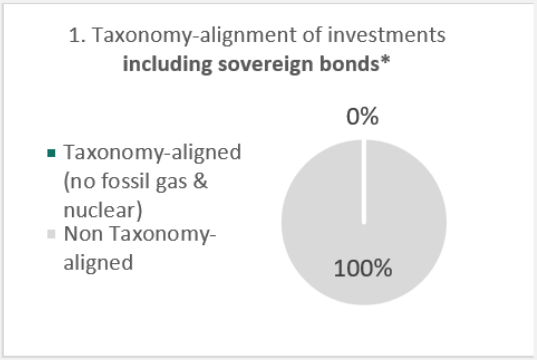
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

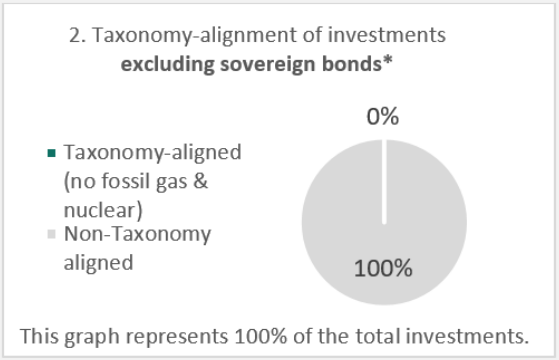
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 5%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 14%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The BNP Paribas High Dividend Europe Equity ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ECPI CIRCULAR ECONOMY LEADERS** **Legal Entity Identifier : 213800SYH51E7L1MSV45**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The ECPI Circular Economy Leaders Equity (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weight of each of the three pillars, E, S and G, is respectively of minimum 20% in the scoring framework.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The average GHG intensity of the financial product's portfolio compared to the average GHG intensity of its investment universe

  - The average gender board diversity ratio of the financial product's portfolio compared to the average gender board diversity ratio of its investment universe

  - The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration,

sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violationss

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product's investment universe of the investment strategy shall follow the thematic diversification criteria (Biotechnology, Life Science Tools and Services, Health Care Equipment & Suppliers).

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product shall have the gender board diversity ratio of its investment strategy portfolio higher than the weighted average gender board diversity ratio of its investment universe.

-The financial product shall invest at least 50% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the ECPI indices can be found on www.ecpigroup.com/

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

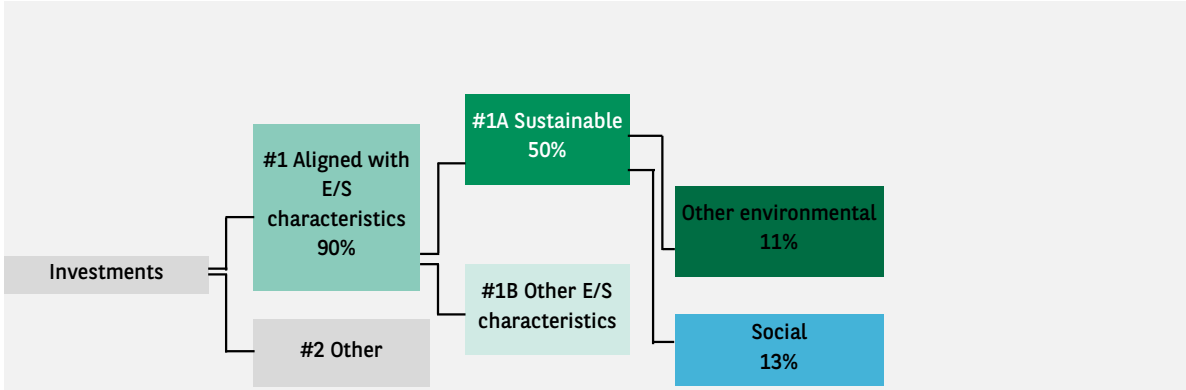
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 50%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

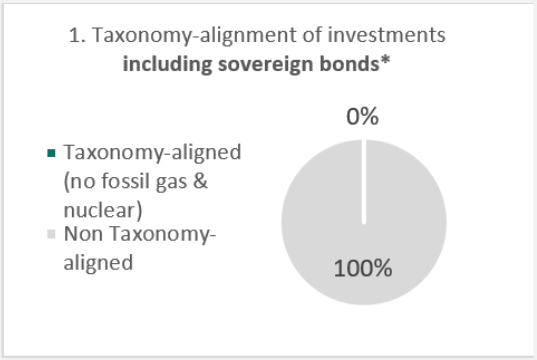
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

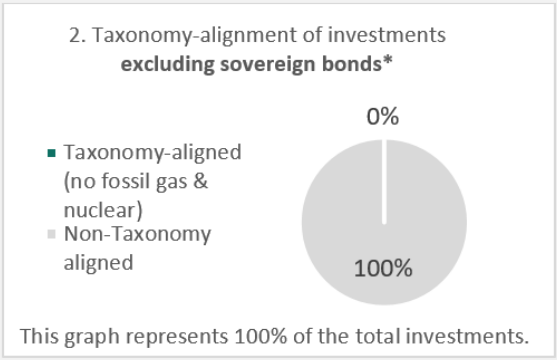
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 13%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The ECPI Circular Economy Leaders Equity (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.ecpigroup .com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ECPI GLOBAL ESG BLUE ECONOMY**

**Legal Entity Identifier : 213800UYPG6HU9NTW481**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes

●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 60% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The ECPI Global ESG Blue Economy (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The average GHG intensity of the financial product's portfolio compared to the average GHG intensity of its investment universe

  - The average gender board diversity ratio of the financial product's portfolio compared to the average gender board diversity ratio of its investment universe

  - The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology,

scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violationss

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product's investment universe of the investment strategy shall follow the thematic diversification criteria (Biotechnology, Life Science Tools and Services, Health Care Equipment & Suppliers).

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product shall have the gender board diversity ratio of its investment strategy portfolio higher than the weighted average gender board diversity ratio of its investment universe.

-The financial product shall invest at least 60% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the ECPI indices can be found on www.ecpigroup.com/

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

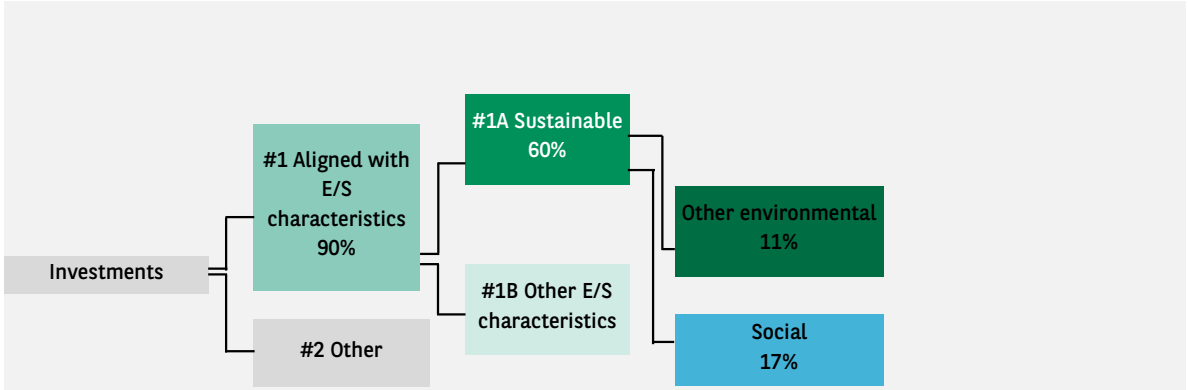
At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 60%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

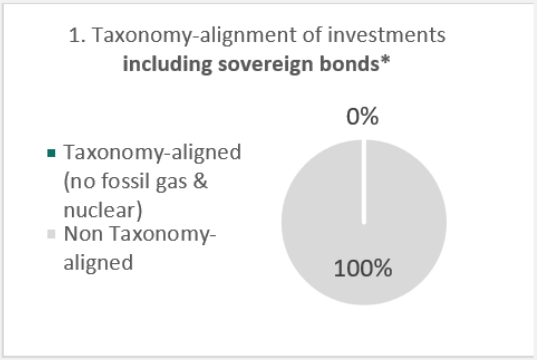
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

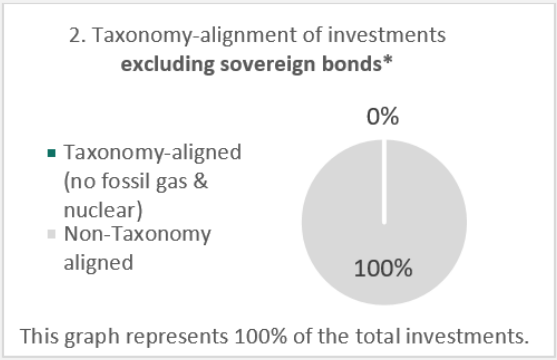
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 17%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The ECPI Global ESG Blue Economy (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.ecpigroup .com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ECPI GLOBAL ESG HYDROGEN ECONOMY**

**Legal Entity Identifier : 2138005RK8E82TQ9PH38**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments

- [x] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices withintheir sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The ECPI Global ESG Hydrogen Economy (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The average GHG intensity of the financial product's portfolio compared to the average GHG intensity of its investment universe

  - The average gender board diversity ratio of the financial product's portfolio compared to the average gender board diversity ratio of its investment universe

  - The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology,

scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violationss

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product's investment universe of the investment strategy shall follow the thematic diversification criteria (Biotechnology, Life Science Tools and Services, Health Care Equipment & Suppliers).

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product shall have the gender board diversity ratio of its investment strategy portfolio higher than the weighted average gender board diversity ratio of its investment universe.

-The financial product shall invest at least 55% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the ECPI indices can be found on www.ecpigroup.com/



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

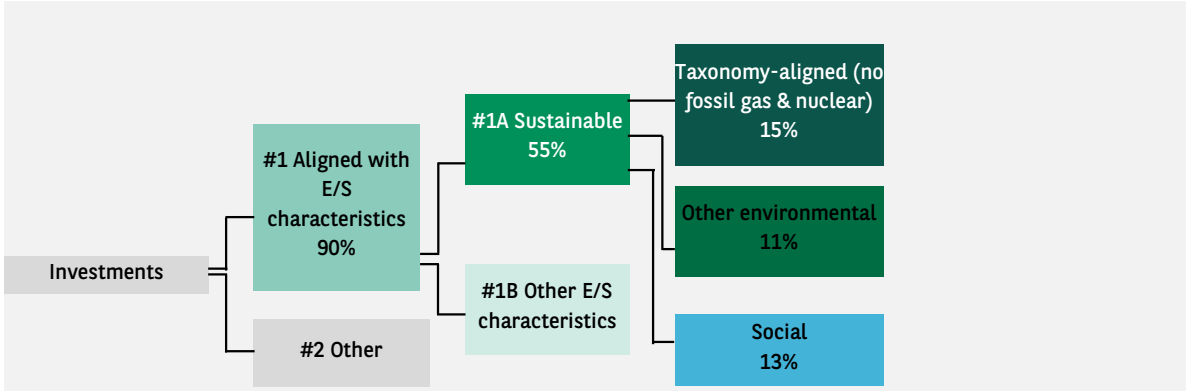
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 55%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the environmental objectives climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The Management Company is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus and Taxonomy-alignment commitments updates will be made accordingly.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. In addition, all activities that can make a substantial contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

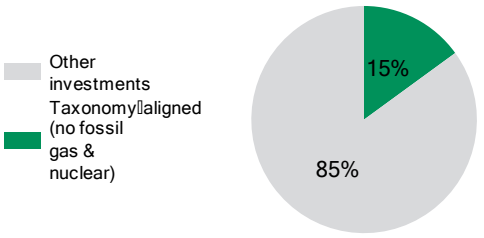
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

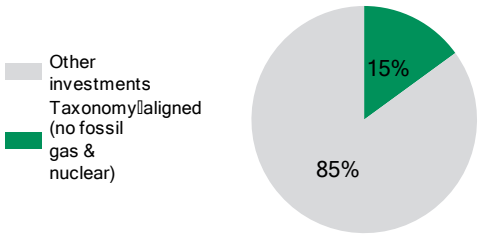
**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

1. Taxonomy-alignment of investments **including sovereign bonds***




2. Taxonomy-alignment of investments **excluding sovereign bonds***




This graph represents 100% of the total investments

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 13%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

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The ECPI Global ESG Hydrogen Economy (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

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### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.ecpigroup .com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY ESG EUROZONE BIODIVERSITY LEADERS PAB**

**Legal Entity Identifier : 213800FJMY39FZAAEN76**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

- [ ] Yes
- [x] No

- [ ] It will make a minimum of sustainable investments with an environmental objective: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of sustainable investments with a social objective: ____%

- [x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers'health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Euronext ESG Eurozone Biodiversity Leaders PAB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in the ESG rating methodology of ISS ESG, which is Euronext's ESG score provider, have thresholds below 20% only on the Governance criterion. For more details on ISS ESG's methodology, please refer to the following document: https://www.issgovernance.com/file/products/iss-esg-corporate-rating-methodology.pdf

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

- The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per extra financial criteria

- The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology,

scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 40% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as"sustainable investment"are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Euronext indices can be found on www.euronext.com.



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

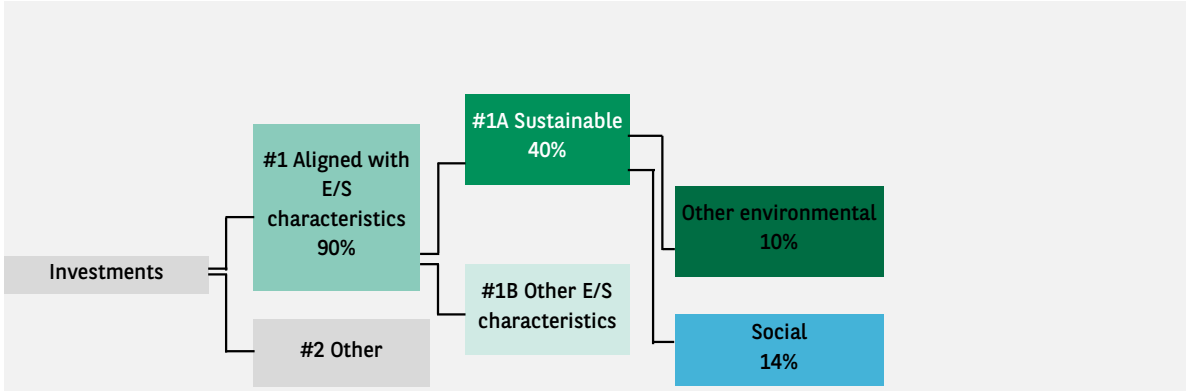
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

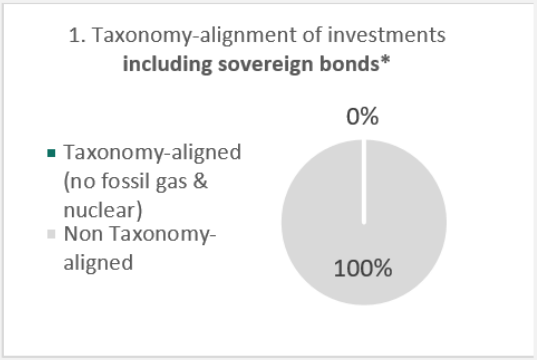
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

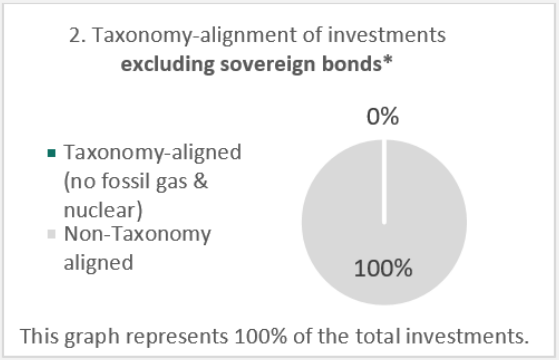
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 14%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Euronext ESG Eurozone Biodiversity Leaders PAB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.euronext.com/




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

**The EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY FTSE EPRA NAREIT DEVELOPED EUROPE GREEN CTB**

**Legal Entity Identifier : 2138001QCKOGYCCU9P13**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

- [x] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability centre.

The FTSE EPRA Nareit Developed Europe Green EU CTB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies;

- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;

- The average carbon footprint of the financial product's portfolio compared to the average carbon footprint of its investment universe, as defined in the Prospectus;

- The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

The proportion of investments of the financial product made in economic activities and that qualify as sustainable investments under the SFDR may contribute to the environmental objectives as defined under Taxonomy Regulation: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, the protection and/or restoration of biodiversity and ecosystems. The extent to which the sustainable investments with an environmental objective are aligned with the EU Taxonomy will be disclosed in the annual report of the financial product.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers some principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have the weighted average carbon footprint of its portfolio at least 30% lower than the weighted average carbon footprint of its investment universe, as defined in the Prospectus.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 30% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the FTSE indices can be found on www.ftserussell.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

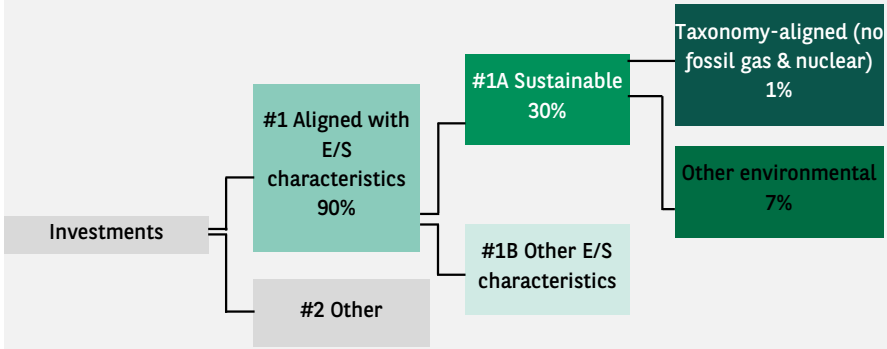
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 30%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the environmental objectives climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The Management Company is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus and Taxonomy-alignment commitments updates will be made accordingly.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. In addition, all activities that can make a substantial contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| X | No |

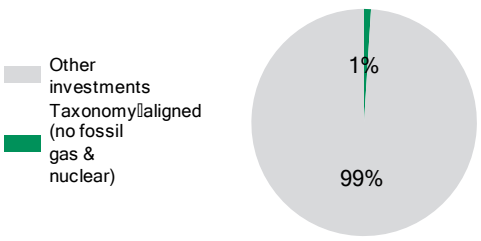
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

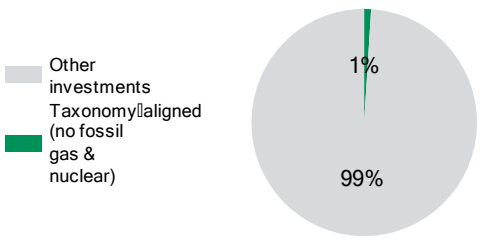
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

1. Taxonomy-alignment of investments including sovereign bonds*




2. Taxonomy-alignment of investments excluding sovereign bonds*




This graph represents 100% of the total investments

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 7%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

Not applicable

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the

improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The FTSE EPRA Nareit Developed Europe Green EU CTB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.ftserussell.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY GLOBAL AGGREGATE BOND SRI FOSSIL FREE**

**Legal Entity Identifier : 213800B5H4Q75CRRBX50**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

- ☐ Yes
- ☒ No

- ☐ It will make a minimum of sustainable investments with an environmental objective: ____%
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ It will make a minimum of sustainable investments with a social objective: ____%
- ☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☒ with a social objective
- ☐ It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers'rights, human resources management (workers'health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Bloomberg MSCI Global Aggregate ex Fossil Fuel SRI Select (USD) RI has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark eligible universe exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The minimum percentage of the financial product's universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with

the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters,

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

## Does this financial product consider principal adverse impacts on sustainability factors?

[x] Yes

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

[ ] No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall invest at least 10% of its assets in "sustainable investments"as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as "sustainable investment"are indicated in the above question "What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives"and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The index excludes at least 20% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

- **What is the policy to assess good governance practices of the investee companies?**

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on https://www.bloomberg.com/professional/products/indices/ .



## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

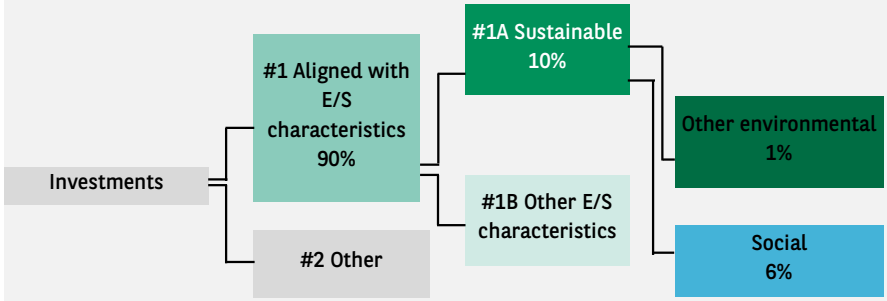
For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

**Asset allocation** describes the share of investments in specific assets.

The minimum proportion of sustainable investments of the financial product is 10%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

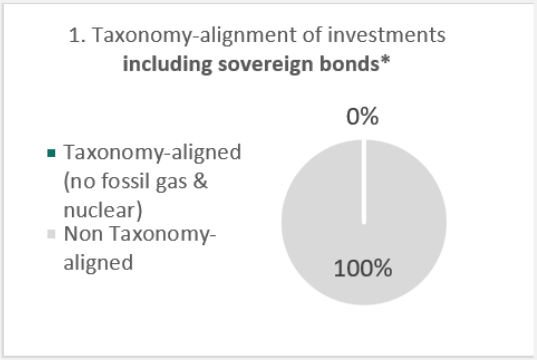
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

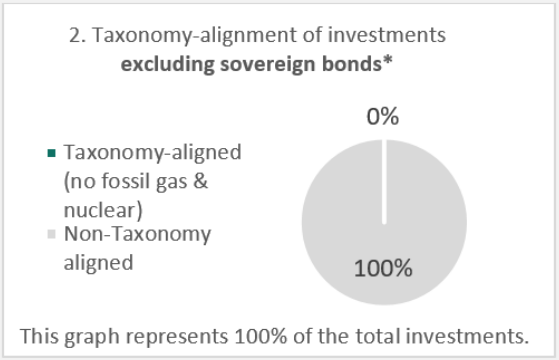
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 1%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 6%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Bloomberg MSCI Global Aggregate ex Fossil Fuel SRI Select (USD) RI has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://www.bloomberg.com/professional/products/indices/ .




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY JPM SCREENED EMBI GLOBAL DIVERSIFIED COMPOSITE**

**Legal Entity Identifier : 2138001R57QT53OEIE75**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[ ] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[x] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The investment strategy selects and allocates exposure to sovereign and quasi-sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using third party sovereign methodology that involves evaluation of a country against a combination of environmental, social and governance factors, which include but are not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

- Governance: business regulations, corruption, democratic life, political stability, security.

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The JPM ESG EMBI Global Diversified Composite (USD) RI has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's sovereign bonds economic exposure covered by the ESG analysis based on the third party ESG methodology used by the index provider;

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The financial product does not intend to make any sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The financial product does not intend to make any sustainable investment.

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

Not applicable.

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

Not applicable.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

[x] Yes

The product considers some principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The overall policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy.

3- Engagement with policymakers.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Sovereign mandatory indicators:*
15. GHG intensity

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

[ ] No

## What investment strategy does this financial product follow?

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product investment strategy excludes issuers ranked in band 5 from the index. The index provider's ESG methodology scores are divided into five bands, where band 1 has the highest ESG score and band 5 has the lowest ESG score,

- The third party methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to underweight or remove issuers that rank lower.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not

limited to, between two strategy reshuffles, if an issuer were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

Not applicable

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

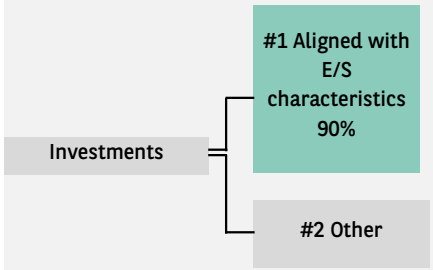
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

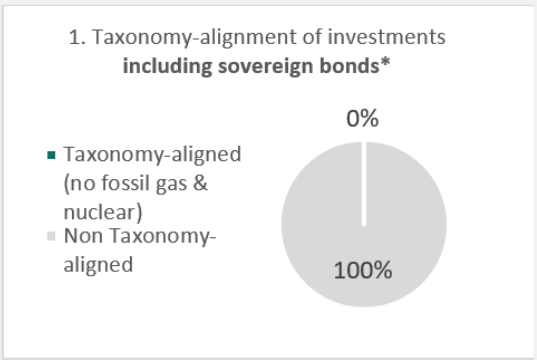
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

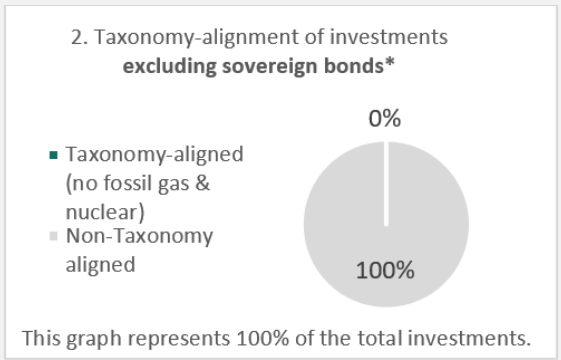
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

Not applicable

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The JPM ESG EMBI Global Diversified Composite (USD) RI has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.jpmorgan.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY JPM TILTED EMU GOVERNMENT BOND IG**

**Legal Entity Identifier : 213800DHNJL4OZOFAU25**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[ ] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[x] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The investment strategy selects and allocates exposure to sovereign and quasi-sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using third party sovereign methodology that involves evaluation of a country against a combination of environmental, social and governance factors, which include but are not limited to:

Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

Governance: business regulations, corruption, democratic life, political stability, security

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The J.P. Morgan Tilted EMU Government Bond IG (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

### What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's sovereign bonds economic exposure covered by the ESG analysis based on the third party ESG methodology used by the index provider;

- The weighted average ESG score of the financial product's portfolio compared to the weighted averageESG score of its investment universe, as defined in the Prospectus;

### What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The financial product does not intend to make any sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The financial product does not intend to make any sustainable investment.

#### How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

#### How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

[X] Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The overall policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy y in relation with social violations and human rights.
2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy.
3- Engagement and voting policy.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Sovereign mandatory indicators:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

[ ] No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The third party methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to underweight or remove issuers that rank lower.

- The financial product investment strategy excludes issuers ranked in band 9 and 10 from the index. The index provider's ESG methodology scores are divided into 10 bands, where band 1 has the highest ESG score and band 10 has the lowest ESG score,

- The financial product investment strategy shall have at least 90% of its investment strategy underlying

issuers covered by the ESG analysis based on the index provider ESG methodology.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

Not applicable



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

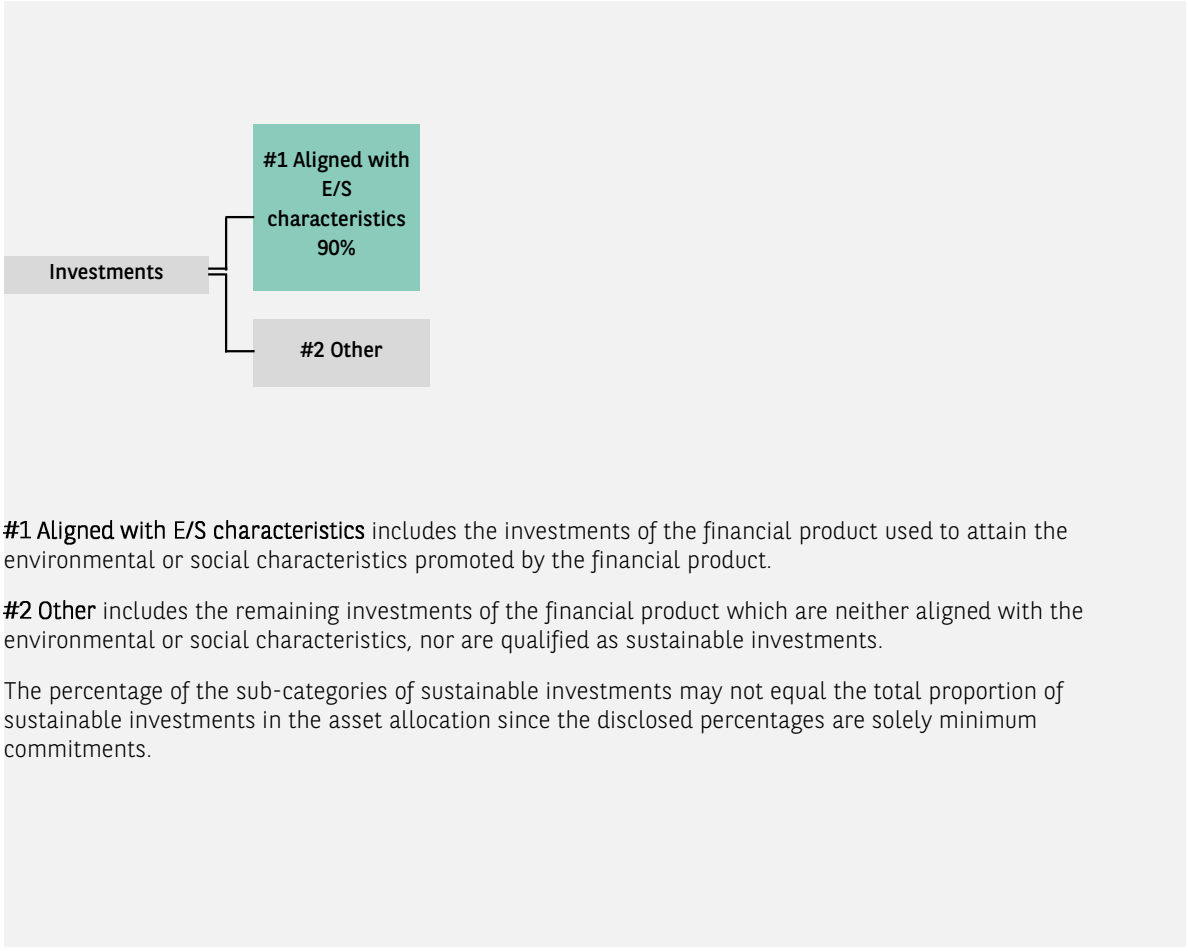
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

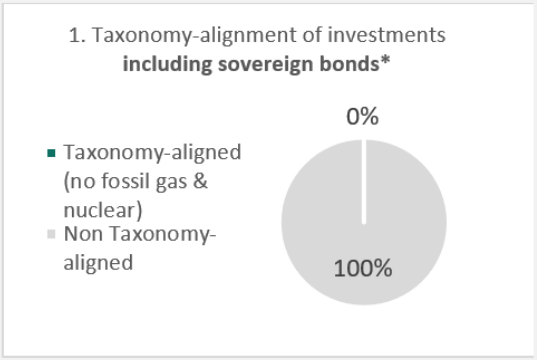
| | | |
|---|---|---|
| | Yes | |
| | In fossil gas | In Nuclear Energy |
| X | No | |

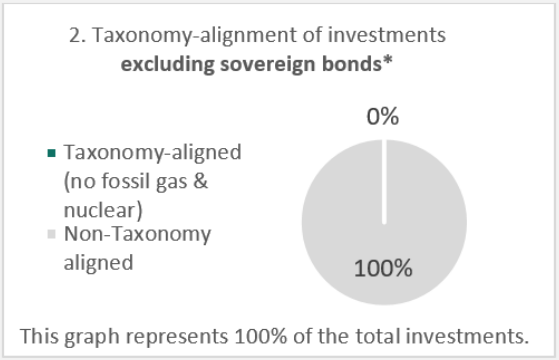
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable

## What is the minimum share of socially sustainable investments?

Not applicable

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countriesand/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The J.P. Morgan Tilted EMU Government Bond IG (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://www.jpmorgan.com/global .



## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY JPM TILTED EMU GOVERNMENT BOND IG 1-3Y**

**Legal Entity Identifier :** 213800U92XMTNC8S6490

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[ ] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[x] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The investment strategy selects and allocates exposure to sovereign and quasi-sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using third party sovereign methodology that involves evaluation of a country against a combination of environmental, social and governance factors, which include but are not limited to:

Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

Governance: business regulations, corruption, democratic life, political stability, security

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The J.P. Morgan Titled EMU Government Bond IG 1-3 Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's sovereign bonds economic exposure covered by the ESG analysis based on the third party ESG methodology used by the index provider;

- The weighted average ESG score of the financial product's portfolio compared to the weighted averageESG score of its investment universe, as defined in the Prospectus;

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The financial product does not intend to make any sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The financial product does not intend to make any sustainable investment.

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

Not applicable.

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

Not applicable.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The overall policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy y in relation with social violations and human rights.
2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy.
3- Engagement and voting policy.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Sovereign mandatory indicators:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The third party methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to underweight or remove issuers that rank lower.

- The financial product investment strategy excludes issuers ranked in band 9 and 10 from the index. The index provider's ESG methodology scores are divided into 10 bands, where band 1 has the highest ESG score and band 10 has the lowest ESG score,

- The financial product investment strategy shall have at least 90% of its investment strategy underlying

issuers covered by the ESG analysis based on the index provider ESG methodology.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

Not applicable

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

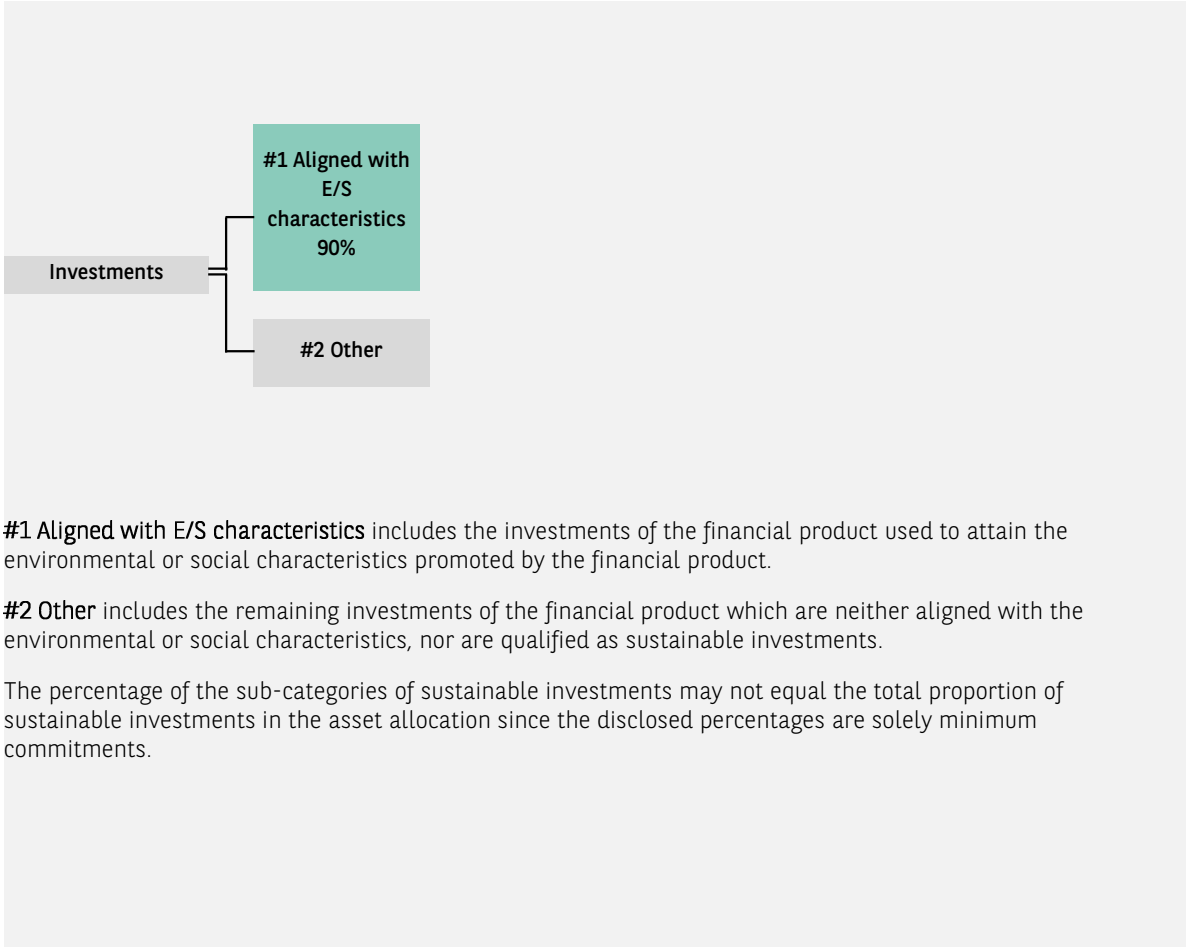
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

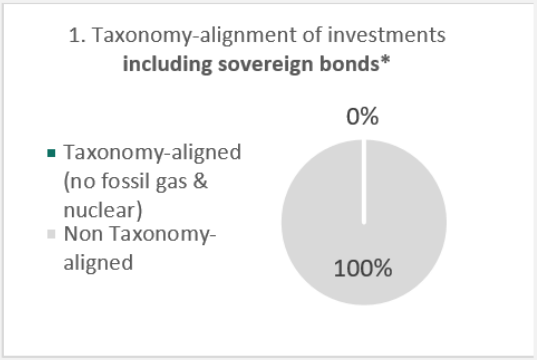
| | | | |
|---|---|---|---|
| | Yes | | |
| | In fossil gas | | In Nuclear Energy |
| X | No | | |

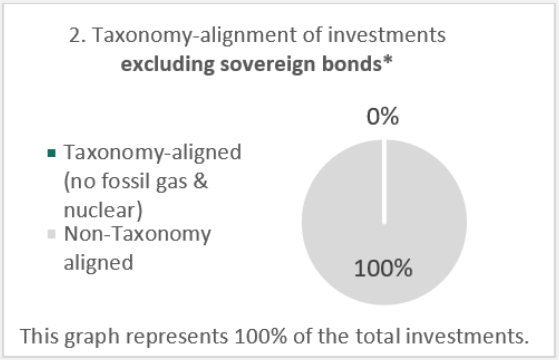
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable

**What is the minimum share of socially sustainable investments?**

Not applicable

**What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?**

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countriesand/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The J.P. Morgan Titled EMU Government Bond IG 1-3 Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://www.jpmorgan.com/global .



## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY JPM TILTED EMU GOVERNMENT BOND IG 3-5Y**

**Legal Entity Identifier :** 213800ITHX491XRCNA46

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[ ] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[x] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The investment strategy selects and allocates exposure to sovereign and quasi-sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using third party sovereign methodology that involves evaluation of a country against a combination of environmental, social and governance factors, which include but are not limited to:

Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

Governance: business regulations, corruption, democratic life, political stability, security

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The J.P. Morgan Tilted EMU Government Bond IG 3-5 Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

### What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's sovereign bonds economic exposure covered by the ESG analysis based on the third party ESG methodology used by the index provider;

- The weighted average ESG score of the financial product's portfolio compared to the weighted averageESG score of its investment universe, as defined in the Prospectus;

### What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The financial product does not intend to make any sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The financial product does not intend to make any sustainable investment.

#### How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

#### How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

[x] Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The overall policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy y in relation with social violations and human rights.
2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy.
3- Engagement and voting policy.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Sovereign mandatory indicators:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

[ ] No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The third party methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to underweight or remove issuers that rank lower.

- The financial product investment strategy excludes issuers ranked in band 9 and 10 from the index. The

index provider's ESG methodology scores are divided into 10 bands, where band 1 has the highest ESG score and band 10 has the lowest ESG score,

- The financial product investment strategy shall have at least 90% of its investment strategy underlying issuers covered by the ESG analysis based on the index provider ESG methodology.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

Not applicable



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

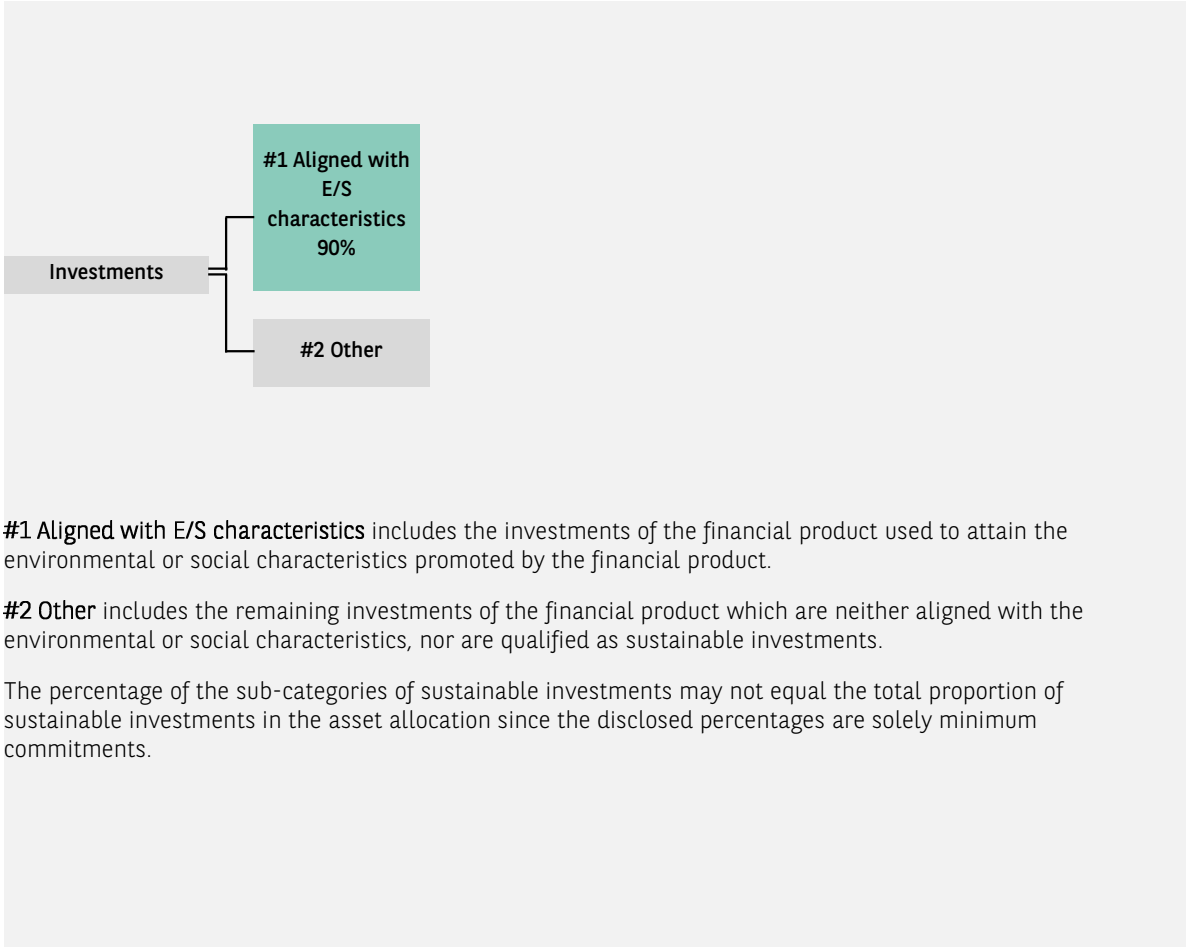
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

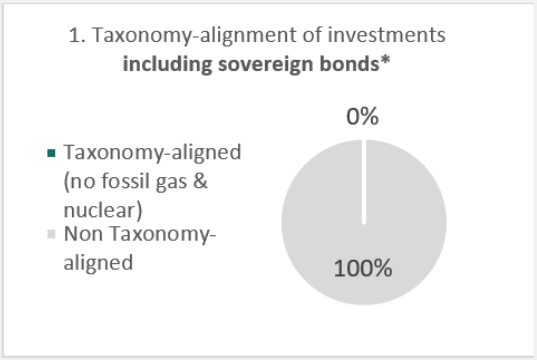
| | | |
|---|---|---|
| | Yes | |
| | In fossil gas | In Nuclear Energy |
| X | No | |

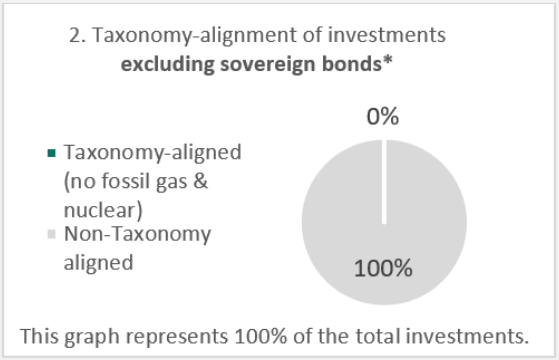
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable

**What is the minimum share of socially sustainable investments?**

Not applicable

**What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?**

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countriesand/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The J.P. Morgan Tilted EMU Government Bond IG 3-5 Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://www.jpmorgan.com/global .



## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY JPM TILTED EMU GOVERNMENT BOND IG 10Y+**

**Legal Entity Identifier : 21380089SISVY93QV423**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[ ] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[x] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The investment strategy selects and allocates exposure to sovereign and quasi-sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using third party sovereign methodology that involves evaluation of a country against a combination of environmental, social and governance factors, which include but are not limited to:

Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

Governance: business regulations, corruption, democratic life, political stability, security

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

The J.P. Morgan Tilted EMU Government Bond IG 10+ Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's sovereign bonds economic exposure covered by the ESG analysis based on the third party ESG methodology used by the index provider;

- The weighted average ESG score of the financial product's portfolio compared to the weighted averageESG score of its investment universe, as defined in the Prospectus;

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The financial product does not intend to make any sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The financial product does not intend to make any sustainable investment.

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

Not applicable.

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

Not applicable.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

[x] Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The overall policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy y in relation with social violations and human rights.
2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy.
3- Engagement and voting policy.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Sovereign mandatory indicators:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

[ ] No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The third party methodology used by the index provider is applied to tilt issuers ranked higher on ESG criteria and to underweight or remove issuers that rank lower.

- The financial product investment strategy excludes issuers ranked in band 9 and 10 from the index. The index provider's ESG methodology scores are divided into 10 bands, where band 1 has the highest ESG score and band 10 has the lowest ESG score,

- The financial product investment strategy shall have at least 90% of its investment strategy underlying

issuers covered by the ESG analysis based on the index provider ESG methodology.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

Not applicable

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

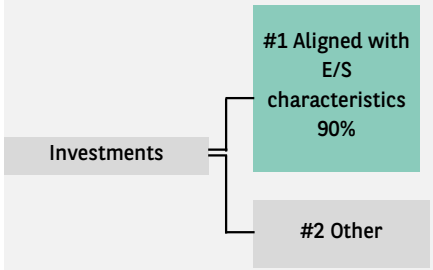
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

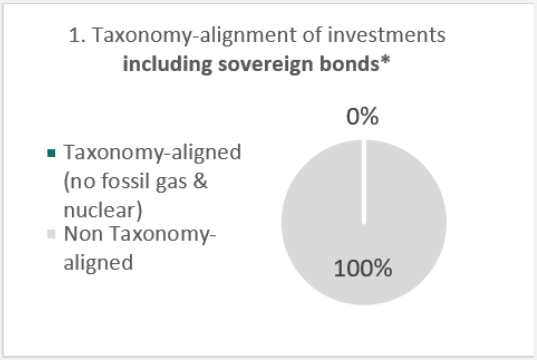
| | | | |
|---|---|---|---|
| | Yes | | |
| | In fossil gas | | In Nuclear Energy |
| X | No | | |

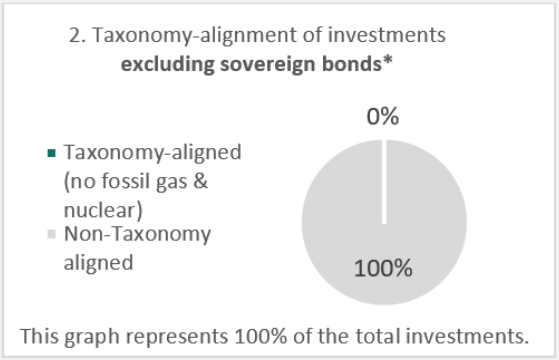
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable

**What is the minimum share of socially sustainable investments?**

Not applicable

**What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?**

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countriesand/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The J.P. Morgan Tilted EMU Government Bond IG 10+ Year (TR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://www.jpmorgan.com/global .



## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY LOW CARBON 100 EUROPE PAB** **Legal Entity Identifier : 213800M1ABPQNKHTHJ07**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers'health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Euronext Low Carbon 100 Europe PAB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in the ESG rating methodology of ISS ESG, which is Euronext's ESG score provider, have thresholds below 20% only on the Governance criterion. For more details on ISS ESG's methodology, please refer to the following document: https://www.issgovernance.com/file/products/iss-esg-corporate-rating-methodology.pdf

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

- The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per extra financial criteria

- The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 50% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as"sustainable investment"are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Euronext indices can be found on www.euronext.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

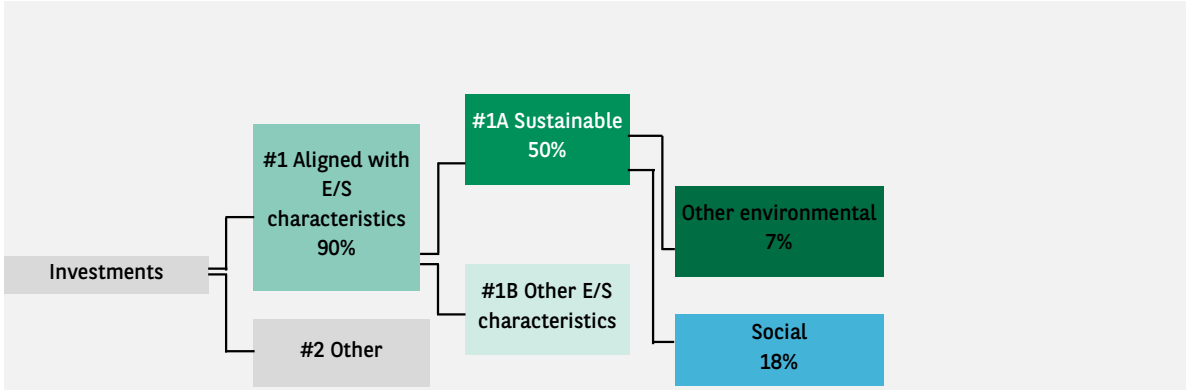
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 50%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

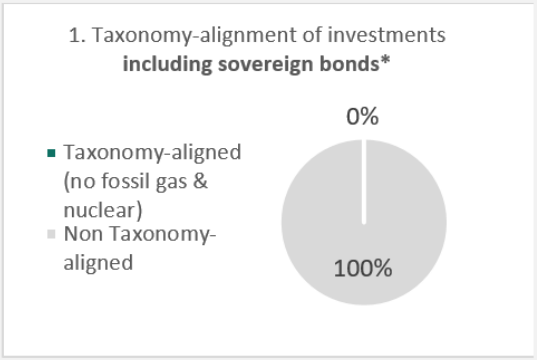
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

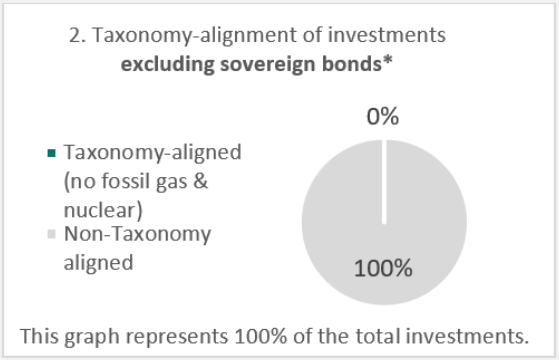
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 7%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 18%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Euronext Low Carbon 100 Europe PAB (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.euronext.com/




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY LOW CARBON 300 WORLD PAB**

**Legal Entity Identifier :** 213800HM939AKXDN8R07

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | |
|---|---|
| ☐ Yes | ☒ No |

| | |
|---|---|
| ☐ It will make a minimum of sustainable investments with an environmental objective: ____% | ☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of sustainable investments with a social objective: ____% | ☐ It promotes E/S characteristics, but will not make any sustainable investments |

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A negative screening applying exclusion criteria. This is applied with regard to issuers with a poor ESG profile and issuers that are in systematic violation of the UN Global Compact.

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers'health and safety, diversity);

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The Euronext Low Carbon 300 World (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in the ESG rating methodology of ISS ESG, which is Euronext's ESG score provider, have thresholds below 20% only on the Governance criterion. For more details on ISS ESG's methodology, please refer to the following document: https://www.issgovernance.com/file/products/iss-esg-corporate-rating-methodology.pdf

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies

- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

- The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per extra financial criteria

- The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverseimpacts of investment decisions on sustainability factors taking due account of the size, thenature and scale of its activities and the types of financial products managed can be found inthe BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The percentage of companies of the financial product's portfolio without carbon emission reduction initiative is lower than that of its investment universe (Volontary Environmental PAI 4)

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 30% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.

- The financial product shall have the weighted average GHG intensity of its portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest at least 40% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as"sustainable investment"are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The index excludes at least 30% of securities from its investment universe ("selectivity"approach) after the application of that investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Euronext indices can be found on www.euronext.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

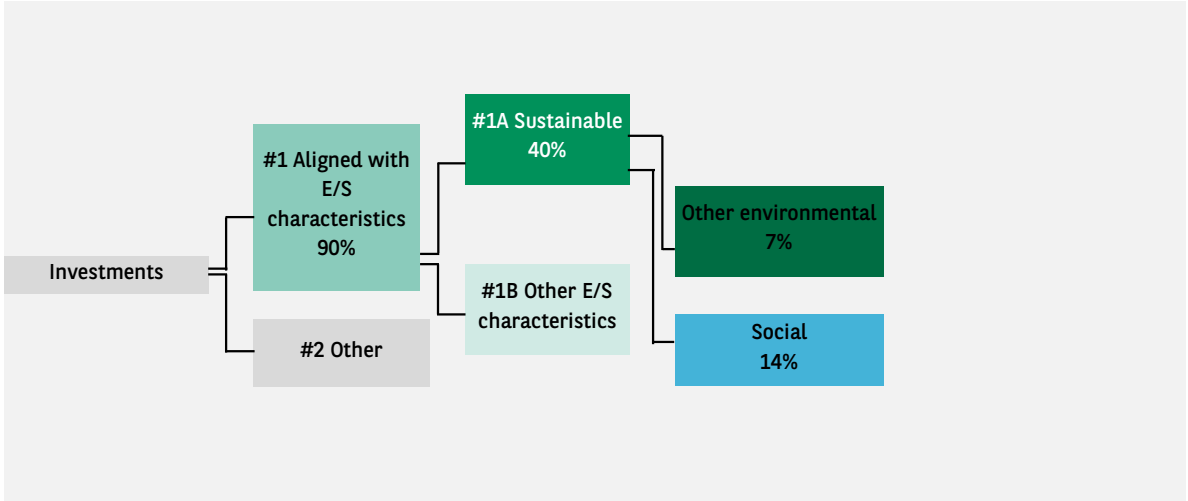
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

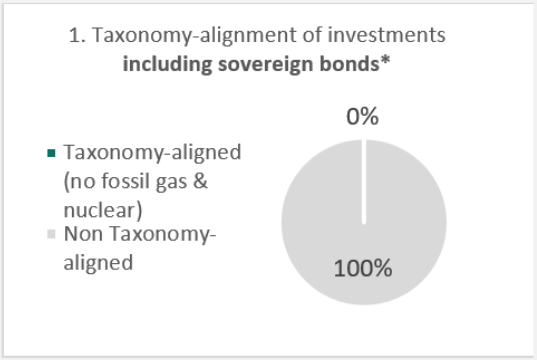
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

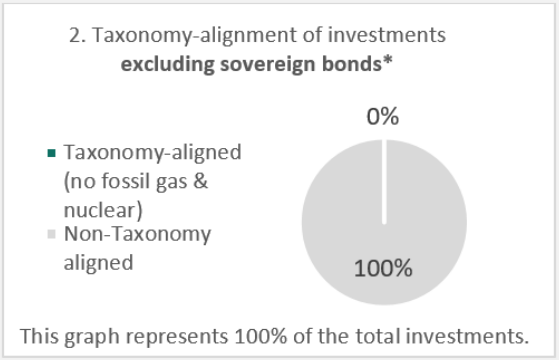
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 7%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 14%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Euronext Low Carbon 300 World (EUR) NR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.euronext.com/




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY LOW VOL EUROPE** **Legal Entity Identifier : 2138005KLULNYP5HTJ87**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 45% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy) RBC policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

The BNP Paribas Low Vol Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product..

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  -The percentage of the financial product's economic exposure compliant with the RBC policy;

  -The percentage of the financial product's economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);

  -The minimum percentage of the financial product's economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;

  -The weighted average ESG score of the financial product's economic exposure compared tothe weighted average ESG score of its investment universe;

  -The percentage of the financial product's economic exposure in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example

contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list"and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list"monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and

Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicators
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product's investment universe of the investment strategy shall be reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

- The financial product shall have the weighted average ESG score of its investment strategy portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 45% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product's economic exposure investment universe is reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

### What is the policy to assess good governance practices of the investee companies?

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

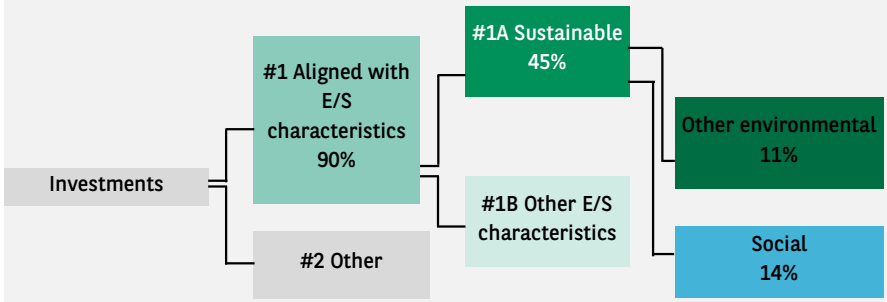
The minimum proportion of sustainable investments of the financial product is 45%.

The remaining proportion of the investments is mainly used as described under the question: "What investments

are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'substitute basket') respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings more liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

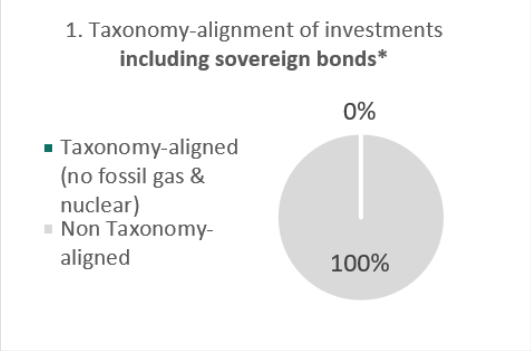
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

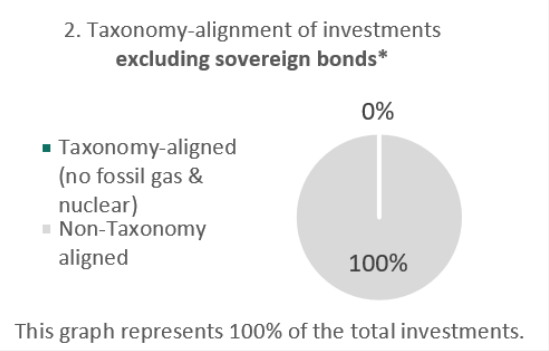
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 14%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The BNP Paribas Low Vol Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI CHINA MIN TE** **Legal Entity Identifier :** 213800KHB16W2AA8LP59

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI China Select Filtered Min TE (USD) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 10% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

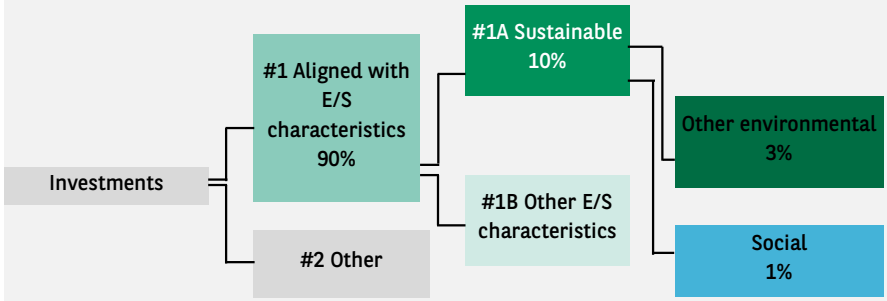
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 10%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

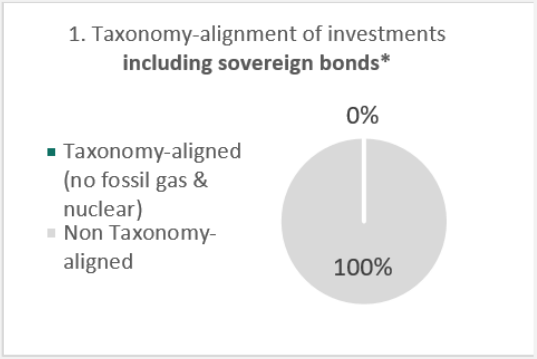
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

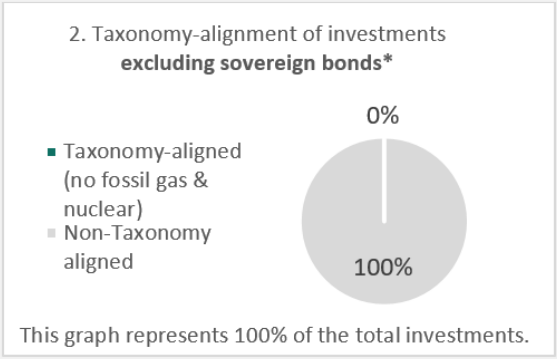
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 3%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 1%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI China Select Filtered Min TE (USD) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI EMERGING MIN TE** **Legal Entity Identifier : 213800ZQJJHQ72L24B74**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

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  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 20% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

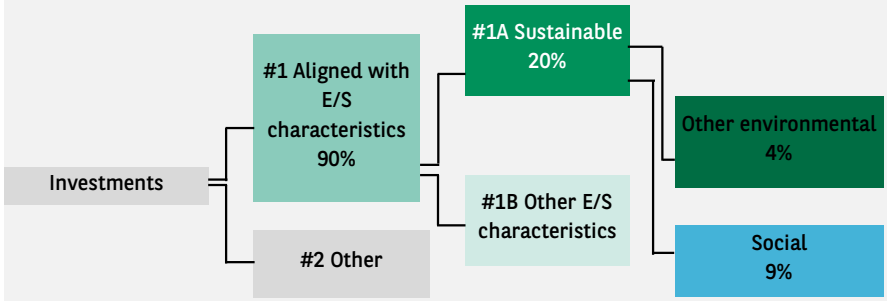
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 20%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

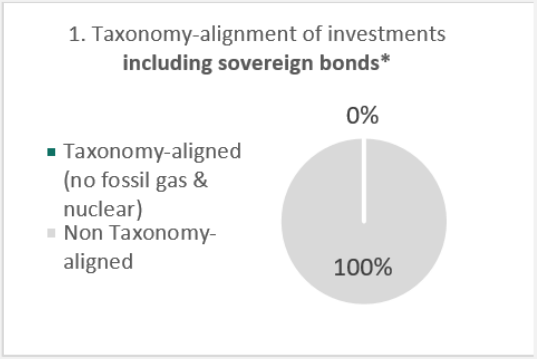
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

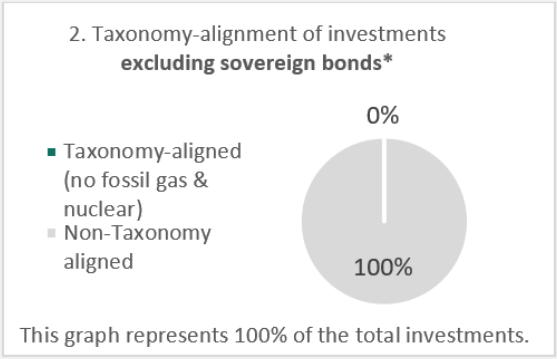
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 4%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 9%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI EM Select Filtered Min TE (USD) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI EMERGING SRI PAB** **Legal Entity Identifier : 213800756937T4BVLNT78**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI Emerging SRI Select PAB (USD) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552866 - MSCI after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

- The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

- The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

- The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 30% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.



## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

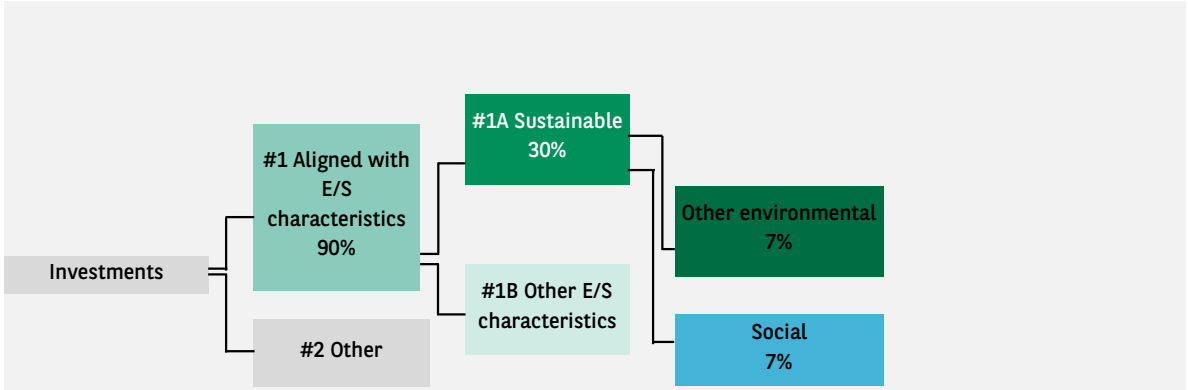
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 30%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

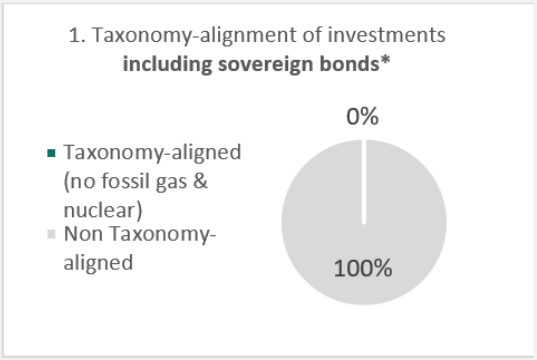
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

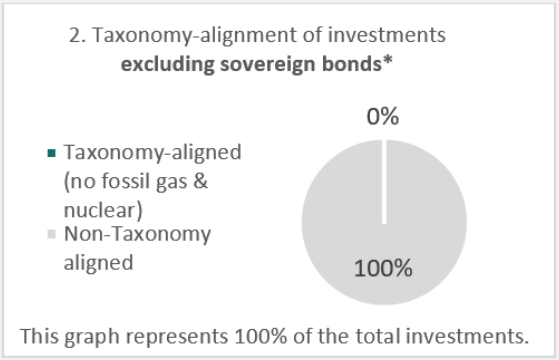
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 7%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 7%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Emerging SRI Select PAB (USD) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI EMU MIN TE** **Legal Entity Identifier : 213800EDTW62QDILKX66**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | | | |
|---|---|---|---|
| ●● | ☐ Yes | ●○ | ☒ No |

| | |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: ____% | ☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ____% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI EMU Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 40% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

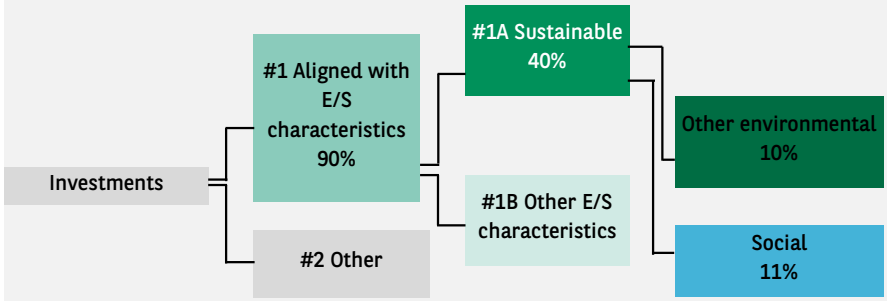
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

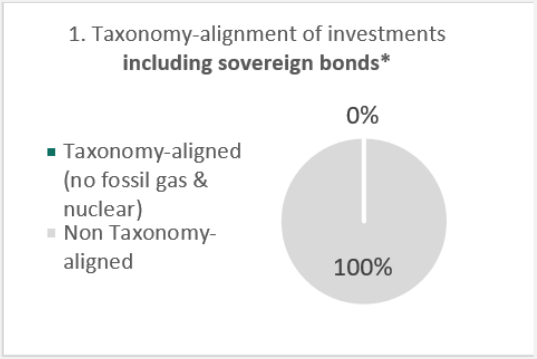
| | | |
|---|---|---|
| | Yes | |
| | In fossil gas | In Nuclear Energy |
| x | No | |

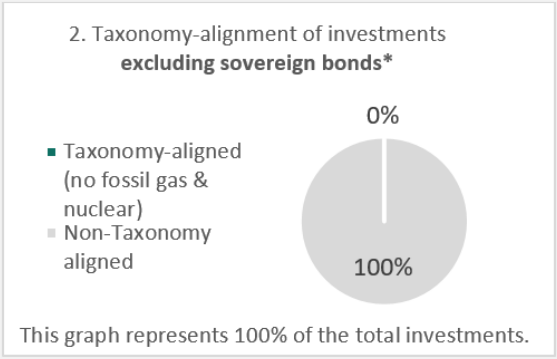
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 11%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI EMU Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI EMU SRI PAB** **Legal Entity Identifier : 213800YQ9QNX31KMEA10**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | | | |
|---|---|---|---|
| ●● | ☐ Yes | ●○ | ☒ No |

| | |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: ____% | ☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 55% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ____% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI EMU SRI Select PAB (NTR) index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552_86 - MSCI

after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

  - The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

  - The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

  - The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 55% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

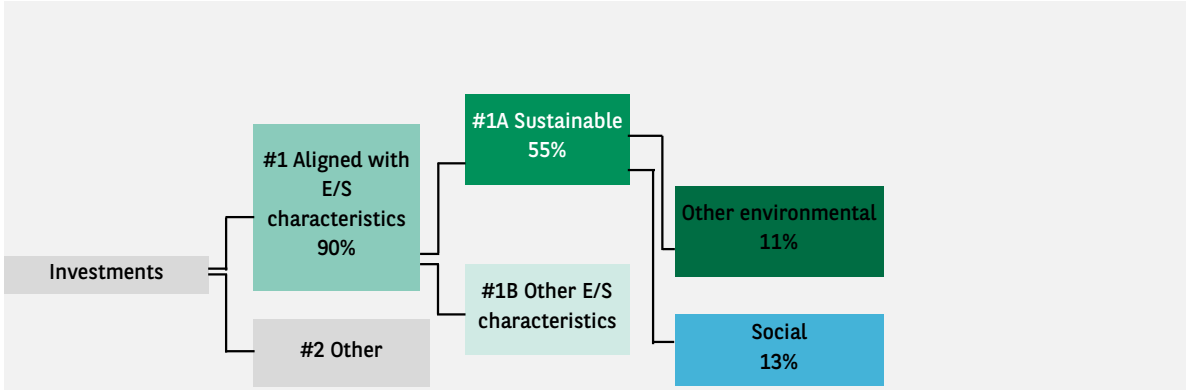
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 55%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

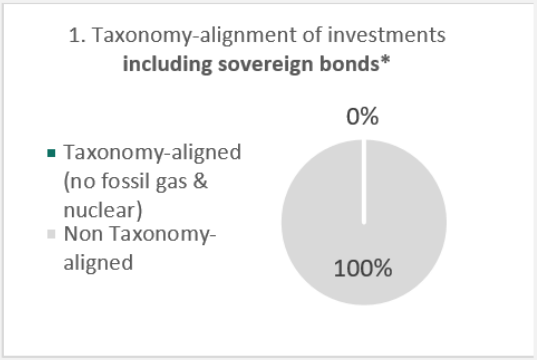
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

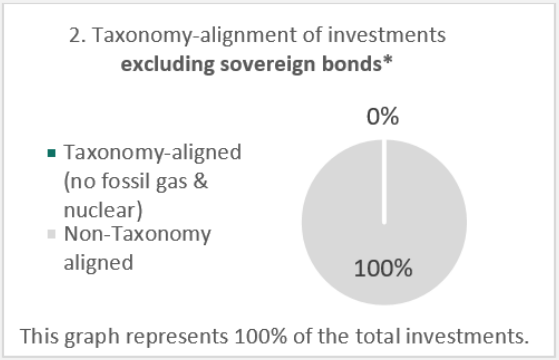
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 11%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 13%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI EMU SRI Select PAB (NTR) index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI EUROPE MIN TE** **Legal Entity Identifier : 213800R657WUBCZ7V163**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable **investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI Europe Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 40% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

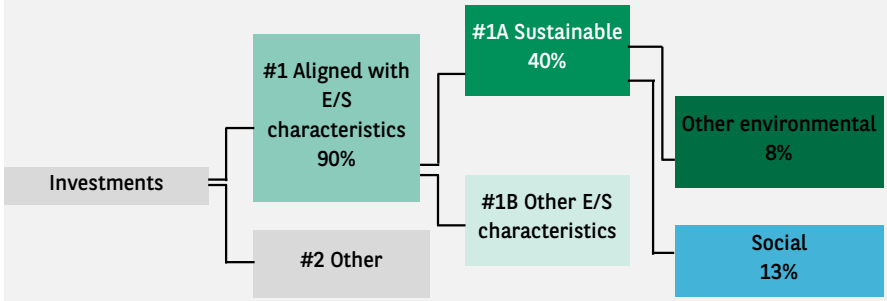
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

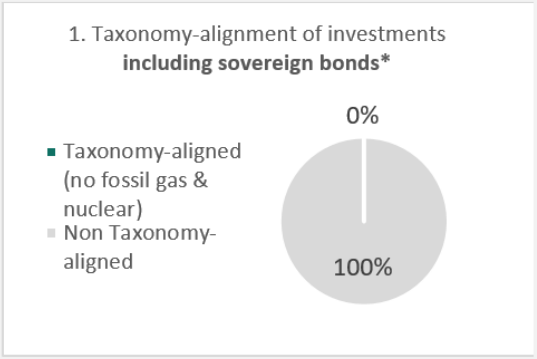
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

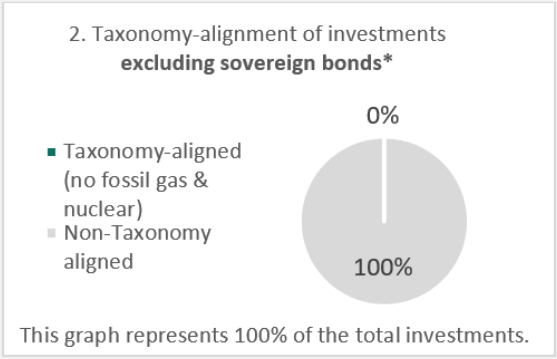
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 8%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 13%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Europe Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI EUROPE SMALL CAPS SRI PAB** **Legal Entity Identifier : 213800AC6NMHI6C8P996**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI Europe Small Caps SRI Select PAB (NTR) index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552866 - MSCI after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

## What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

- The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

- The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

- The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

## What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 35% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

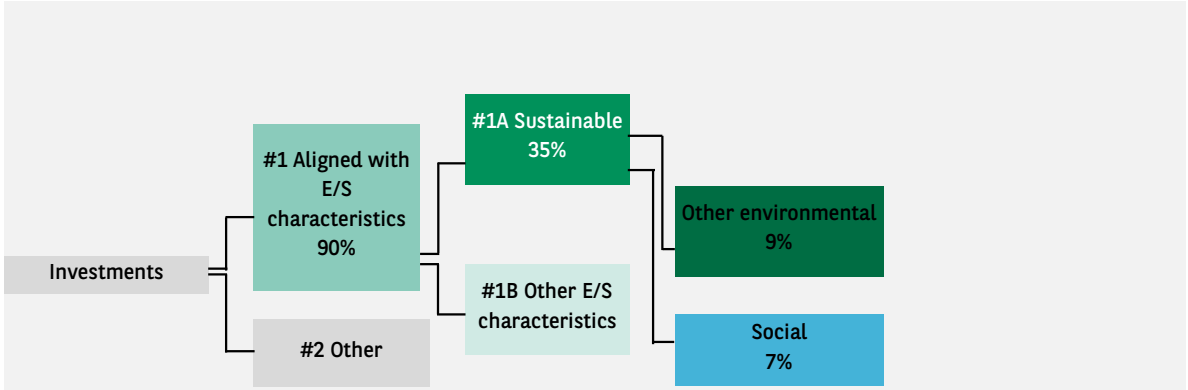
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

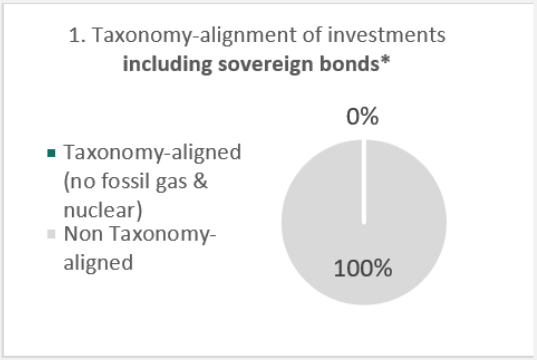
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

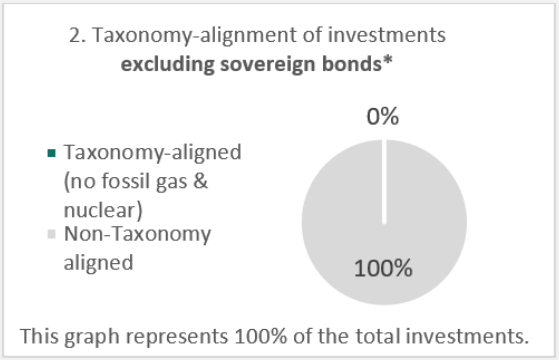
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 9%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 7%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Europe Small Caps SRI Select PAB (NTR) index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI EUROPE SRI PAB** **Legal Entity Identifier : 213800UNKEY76CWOI161**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 45% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI Europe SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552_86 - MSCI

after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

  - The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

  - The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

  - The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**



## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 45% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

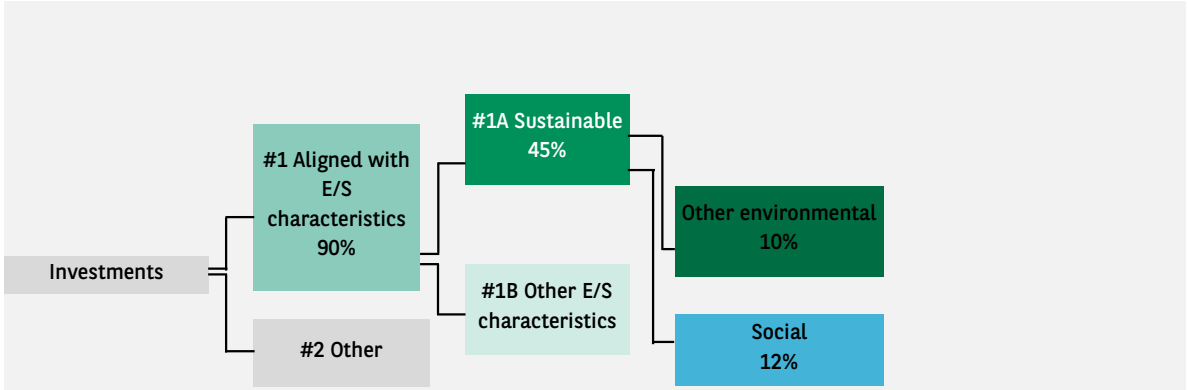
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 45%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

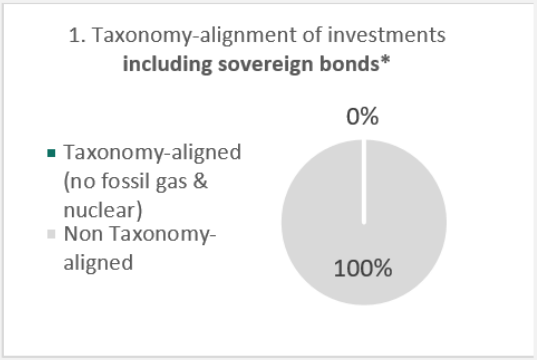
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

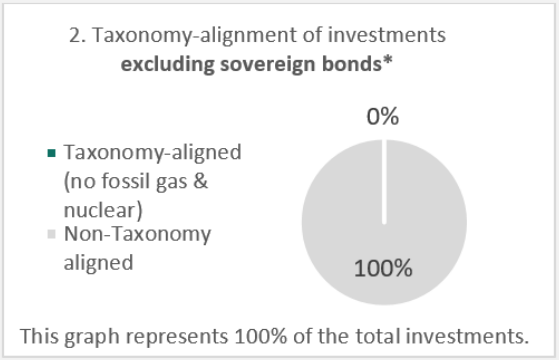
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 12%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Europe SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI JAPAN MIN TE** **Legal Entity Identifier : 213800I1PJ1VY5QRDU86**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI Japan Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 40% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

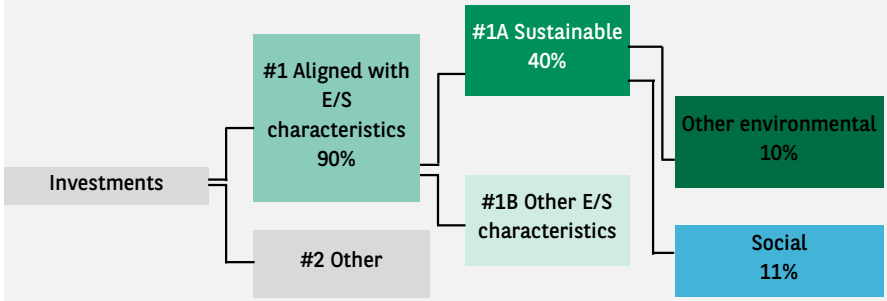
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

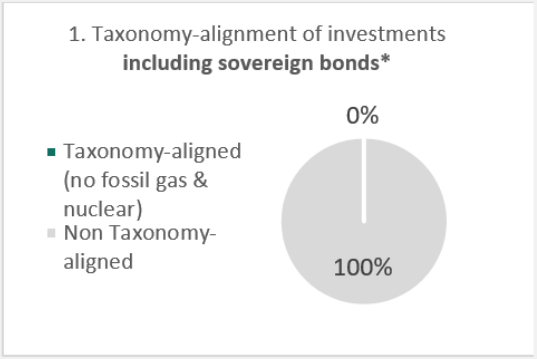
| | | |
|---|---|---|
| | Yes | |
| | In fossil gas | In Nuclear Energy |
| x | No | |

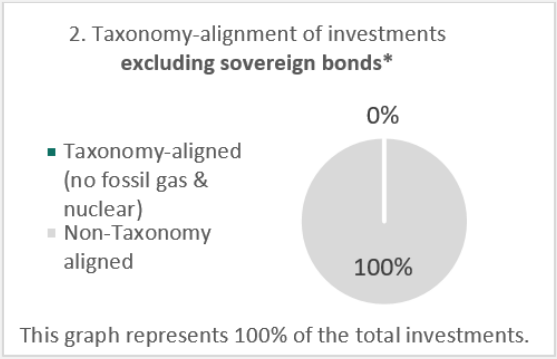
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 10%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 11%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Japan Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI JAPAN SRI PAB** **Legal Entity Identifier : 213800RIR2NNTKO1FI88**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI Japan SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552_86 - MSCI

after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

  - The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

  - The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

  - The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 35% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

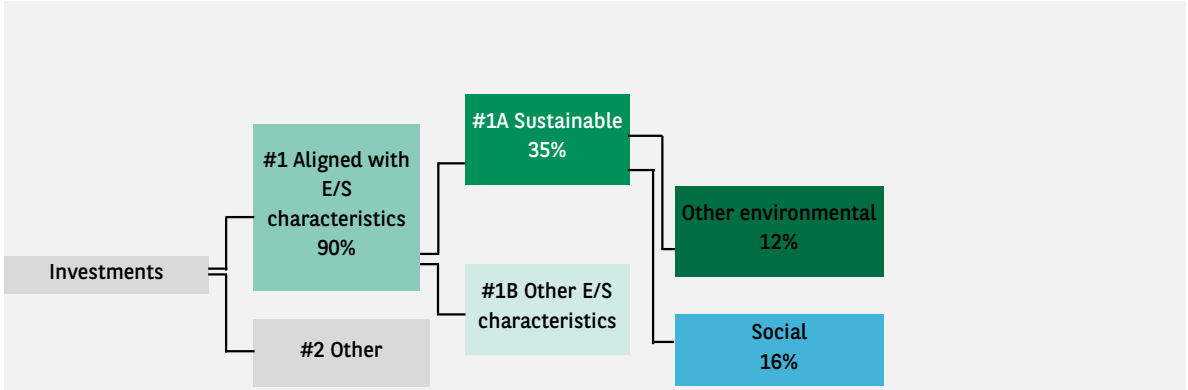
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

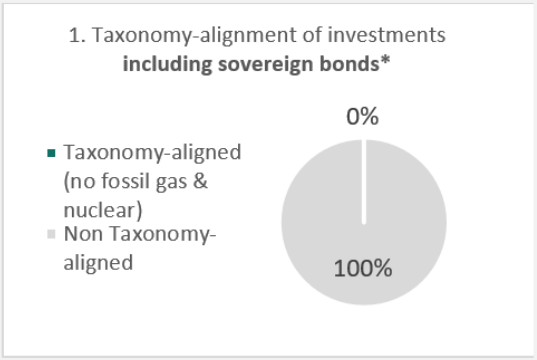
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

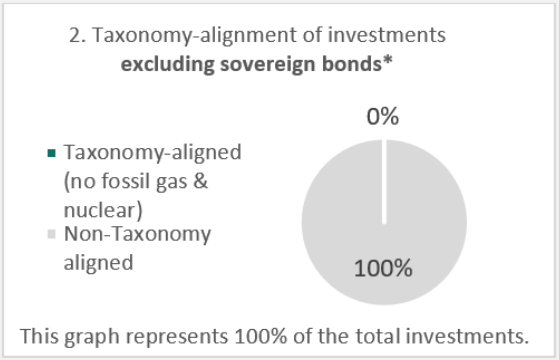
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 12%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 16%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Japan SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI PACIFIC EX JAPAN MIN TE**

**Legal Entity Identifier : 213800LLO65K4I3C5A26**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI Pacific ex Japan Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 20% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

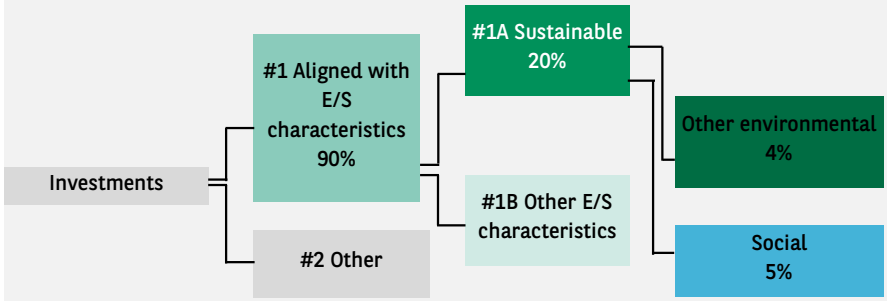
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 20%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

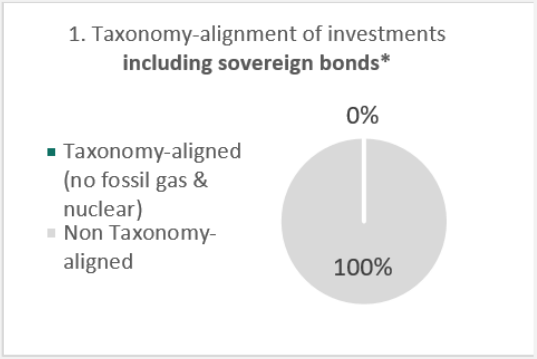
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

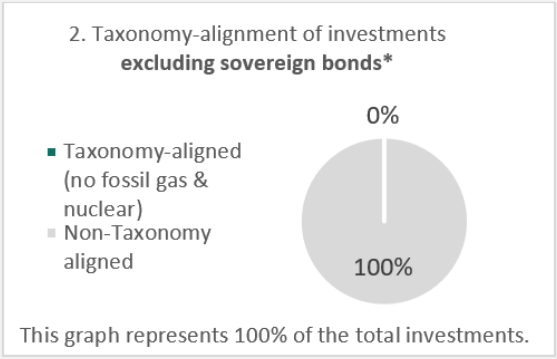
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 4%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 5%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI Pacific ex Japan Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI USA MIN TE** **Legal Entity Identifier :** 213800AUR7GUUPS3H625

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 25% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable **investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms andconvention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI USA Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria

  - The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology

  - The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The average greenhouse gas ("GHG") intensity of the financial product's portfolio compared to the GHG intensity of its investment universe

  - The percentage of the financial product's portfolio invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus, to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

  2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has

more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product shall have a weighted average ESG score better than the weighted average ESG score of its investment universe.

- The financial product shall have an average GHG intensity at least 20% lower than the average GHG intensity of its investment universe.

- The financial product shall invest at least 25% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical

review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

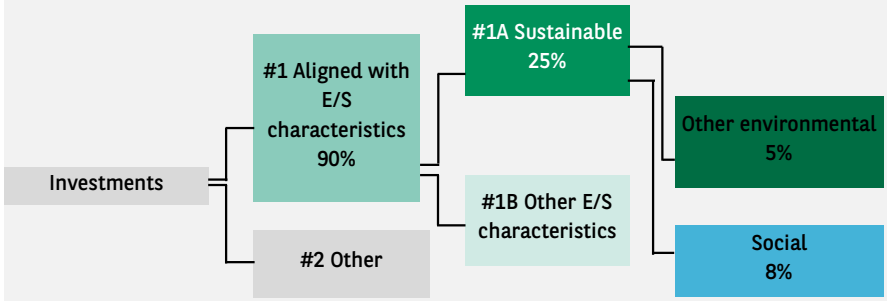
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 25%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management and hedging purposes.

These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

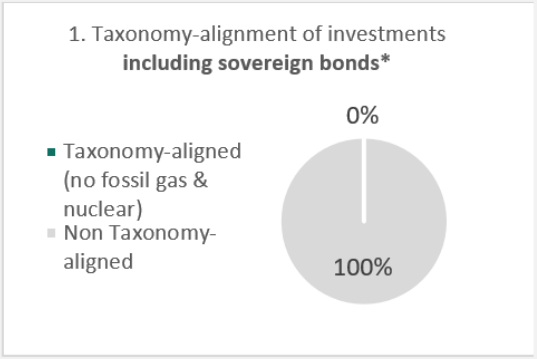
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

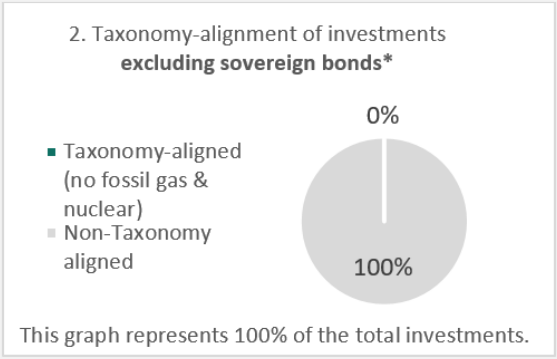
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 5%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 8%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI USA Select Filtered Min TE (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY MSCI USA SRI PAB** **Legal Entity Identifier : 213800F4ESQPVJRVLT42**

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | | | |
|---|---|---|---|
| ●● | ☐ Yes | ●○ | ☒ No |

| | |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective**: ____% | ☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ____% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI USA SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552_86 - MSCI

after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

- The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

- The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

- The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

- The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2 895a45a-bb7a-44f6-8e48-990be2 616498/ As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

-The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

-The financial product shall have the gender board diversity ratio of it investment strategy portfolio higher than the weighted average gender board diversity ratio of its investment universe (PAI 13)

-The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

-The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

-The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

-The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

-The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

-The financial product shall invest 35% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

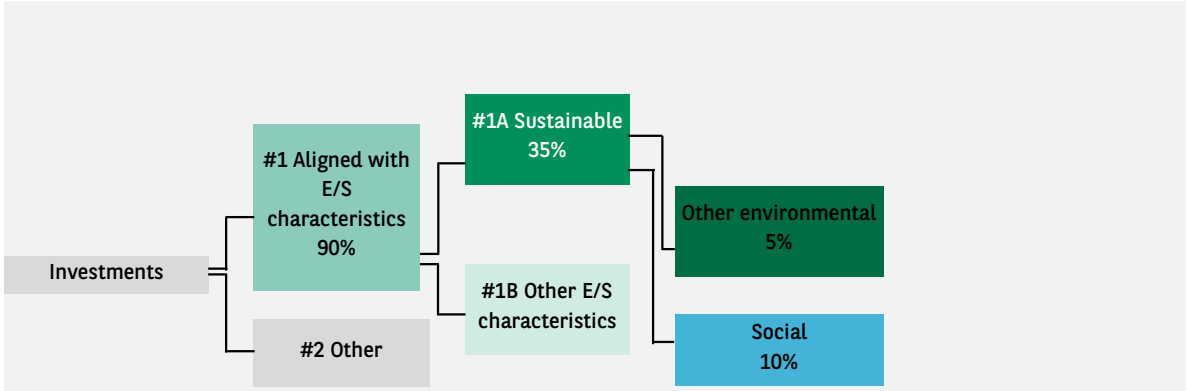
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

## Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

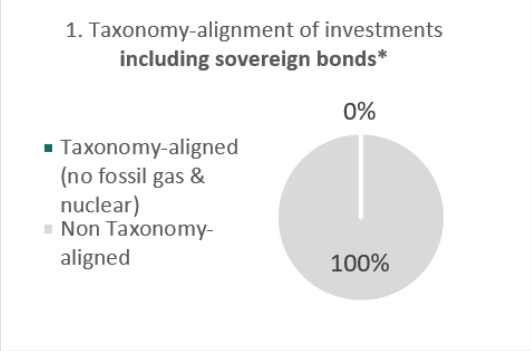
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

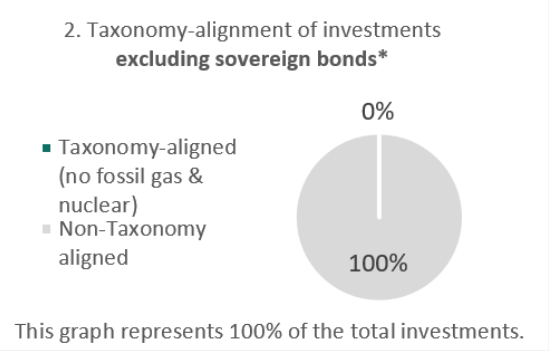
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 5%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 10%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI USA SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY MSCI WORLD SRI PAB** **Legal Entity Identifier :** 21380009N13WHRUQI558

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| | | | |
|---|---|---|---|
| ●● | [ ] Yes | ●○ | [x] No |

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

The MSCI World SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The weightings of the Environmental (E), Social (S) and Governance (G) criteria in MSCI's proprietary ESG rating methodology may vary by sector, with some having weightings below 20%. Investors may find details on MSCI's ESG Rating Methodology Document via the following link: https://support.msci.com/support/emea-esg-and-climate-labels/explanation-of-esg-pillar/04461552_86 - MSCI

after creating an account.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the sustainable investment objective of the financial product, and are based on the reference benchmark ESG methodology:

  - The percentage of the financial product's portfolio compliant with the reference benchmark business involvement and controversies exclusion criteria;

  - The percentage of the financial product's economic exposure covered by the ESG analysis based on the index provider ESG methodology;

  - The minimum percentage of the financial product's investment universe reduction by sector due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria;

  - The percentage of the financial product's economic exposure invested in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

## How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations. (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

Based on the above approach, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations (https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF)

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product excludes companies violating international norms, exposed to tobacco or controversial weapons, as well as companies active in sectors with possible negative impacts on the climate in accordance with the exclusion criteria defined in the Article 12. 1 (a-g) of (EU) delegated regulation 2020/1818 of the Commission. The details on how the exclusions are applied, depending on the asset classes, are available on our website (https://docfinder.bnpparibas-am.com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ section « PAB exclusions for ESMA Guidelines »).

-The financial product complies, as part of its investment policy, with the list of exclusion criteria dated March 2024 provided for in the SRI label reference framework. This list is accessible via the following link: https//docfinder.bnpparibas-am com/api/files/2895a45a-bb7a-44f6-8e48-990be2616498/ . As the financial product is a passively-managed ETF, the implementation of exclusions depends on the index provider's own ESG data and methodology.

- The GHG intensity of the investee companies in portfolio is lower than that of the extra-financial investment universe (PAI 3).

- The portfolio's board gender diversity ratio is higher than that of the extra-financial investment universe (PAI 13).

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.

- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.

- The financial product aims to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average GHG intensity of its investment strategy portfolio at least 50% lower than the weighted average GHG intensity of its investment universe.

- The financial product investment strategy portfolio shall achieve an annual decarbonisation target of at least 7%.

- The financial product shall invest 40% of its assets in 'sustainable investments ' as defined in Article 2

(17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The financial product applies the Index Providers criteria to include the securities with the highest ESG ratings making up 25% of the market capitalization in each sector and region of the investment universe, as defined in the Prospectus leading to the reduction of the investment universe by a minimum of 30% by sector.

### What is the policy to assess good governance practices of the investee companies?

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

## What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

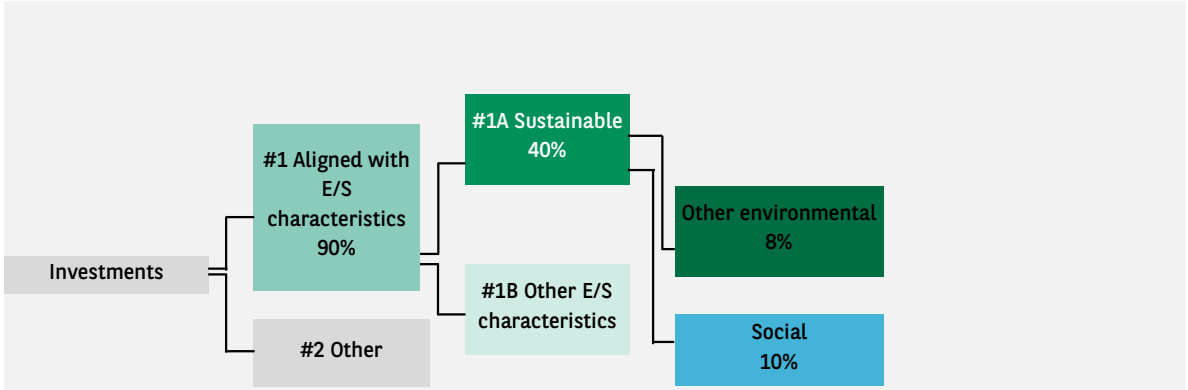
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 40%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

  Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

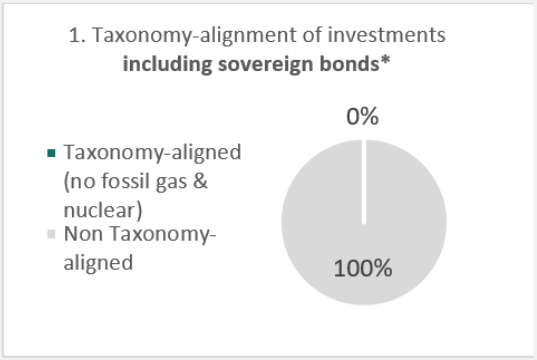
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

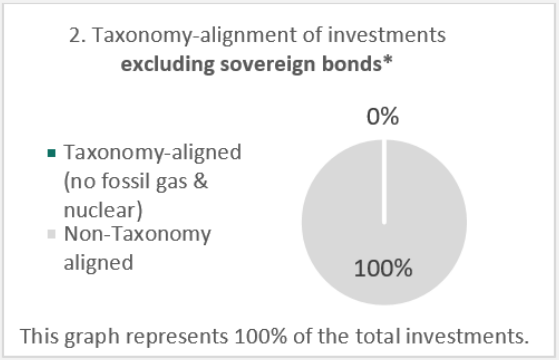
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**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 8%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 10%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The MSCI World SRI Select PAB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

**Product name :** **BNP PARIBAS EASY QUALITY EUROPE** **Legal Entity Identifier :** 2138009SZIFSH2QB3J69

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of **sustainable investments with a social objective**: ____%

[x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 45% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable **investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy) RBC policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

The BNP Paribas Quality Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product..

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  -The percentage of the financial product's economic exposure compliant with the RBC policy;

  -The percentage of the financial product's economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);

  -The minimum percentage of the financial product's economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;

  -The weighted average ESG score of the financial product's economic exposure compared tothe weighted average ESG score of its investment universe;

  -The percentage of the financial product's economic exposure in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example

contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list"and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list"monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and

Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicators
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product's investment universe of the investment strategy shall be reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

- The financial product shall have the weighted average ESG score of its investment strategy portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 45% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product's economic exposure investment universe is reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

### What is the policy to assess good governance practices of the investee companies?

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

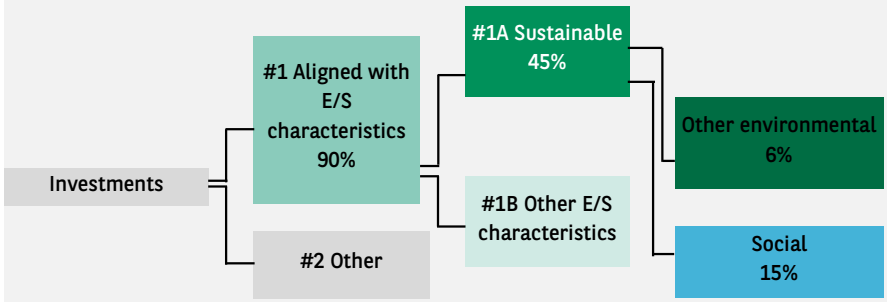
The minimum proportion of sustainable investments of the financial product is 45%.

The remaining proportion of the investments is mainly used as described under the question: "What investments

are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'substitute basket') respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings more liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

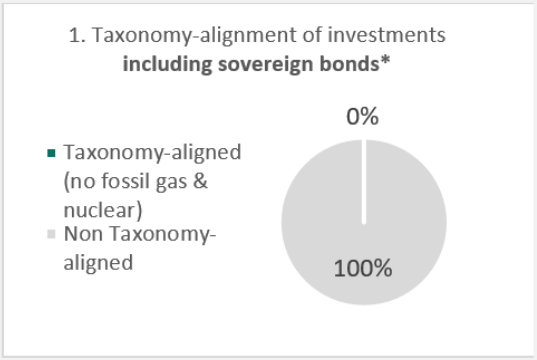
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

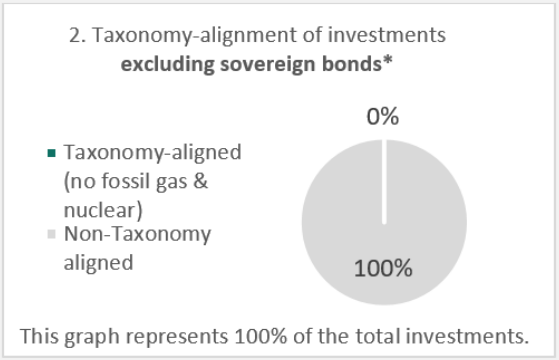
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 6%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 15%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The BNP Paribas Quality Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.

***Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852***

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name :** **BNP PARIBAS EASY VALUE EUROPE** **Legal Entity Identifier :** 213800M8Q7157WWVTH95

# Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

●● [ ] Yes ●○ [x] No

[ ] It will make a minimum of sustainable investments with an environmental objective: ____%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It will make a minimum of sustainable investments with a social objective: ____%

[x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 35% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] with a social objective

[ ] It promotes E/S characteristics, but will not make any sustainable investments

## What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers'remuneration, respect of minority shareholders rights

A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy) RBC policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

The BNP Paribas Value Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product..

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

  -The percentage of the financial product's economic exposure compliant with the RBC policy;

  -The percentage of the financial product's economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);

  -The minimum percentage of the financial product's economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;

  -The weighted average ESG score of the financial product's economic exposure compared tothe weighted average ESG score of its investment universe;

  -The percentage of the financial product's economic exposure in 'sustainable investments ' as defined in Article 2 (17) of SFDR.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

  As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the sustainable investments to which the financial product is exposed and described below are the ones of the underlying securities of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

  The investment manager is using, as of the date of the prospectus, the BNP Paribas Asset Management (BNPP AM) internal methodology, as defined in the main part of the Prospectus,to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

  1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example

contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE ' or 'NEUTRAL ' from the Sustainability Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH ' principle) and should follow good governance practices. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to considering principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR and to not get exposed to companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

### How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision - the '3E'(Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest.

Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts indicators are taken into account:

*Corporate mandatory indicators:*
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

*Corporate voluntary indicators:*
*Environment*
4. Investments in companies without carbon emission reduction initiatives
*Social*
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

*Sovereign mandatory indicator:*
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The investment universe of the financial product investment strategy is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list"and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list"monitored, as appropriate.

**The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

**The 'do no significant harm' principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

**Any other sustainable investments must also not significantly harm any environmental or social objectives.**

## Does this financial product consider principal adverse impacts on sustainability factors?

X Yes

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3E"(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:
- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the substitute basket underlying securities.

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and

Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicators
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

☐ No

## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its investment objective, the financial product replicates an underlying index which takes into account at each step of its investment process Environmental, Social and Governance (ESG) criteria.

To this end, underlying investments of the index are assessed against Environmental, Social, and Governance criteria using the methodology of the index provider.

The binding elements of the investment strategy described in the question below to construct the index portfolio with an improved ESG profile compared to its investment universe are constantly integrated in the index methodology that the financial product replicates.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be In violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/).

- The financial product investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

- The financial product's investment universe of the investment strategy shall be reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

- The financial product shall have the weighted average ESG score of its investment strategy portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

- The financial product shall have the weighted average greenhouse gas (GHG) intensity of its investment strategy portfolio lower than the weighted average greenhouse gas (GHG) intensity of its investment universe.

- The financial product investment strategy shall invest at least 35% of its assets in 'sustainable investments ' as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as 'sustainable investment ' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives ' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product's economic exposure investment universe is reduced by a minimum of 20% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

### What is the policy to assess good governance practices of the investee companies?

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
-expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

## What is the asset allocation planned for this financial product?

At least 90% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

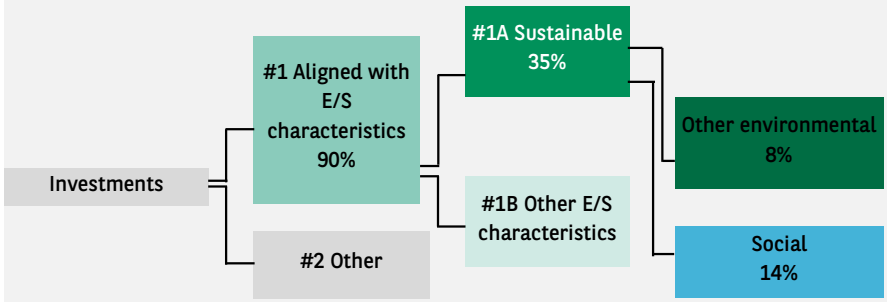
The minimum proportion of sustainable investments of the financial product is 35%.

The remaining proportion of the investments is mainly used as described under the question: "What investments

are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.




#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The percentage of the sub-categories of sustainable investments may not equal the total proportion of sustainable investments in the asset allocation since the disclosed percentages are solely minimum commitments.

### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'substitute basket') respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings more liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

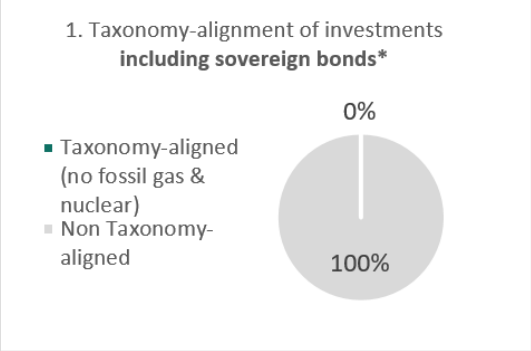
| | |
|---|---|
| | Yes |
| | In fossil gas |
| | In Nuclear Energy |
| x | No |

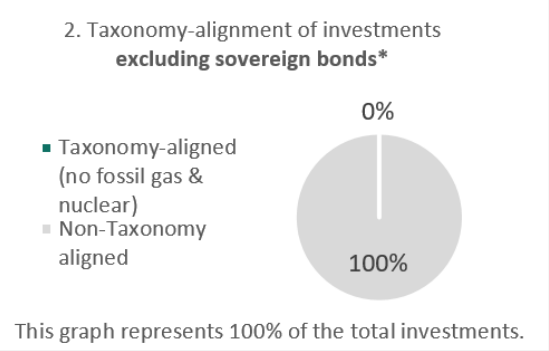
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

***The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***




* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 8%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

## What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 14%.

## What investments are included under '#2 Other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The BNP Paribas Value Europe ESG (EUR) NR has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

### How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance and not limited to, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

### How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

### How does the designated index differ from a relevant broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

### Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com.




## Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

DISCLAIMER

Every ad hoc pre-contractual document shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.