July 2026

Assessing the level of responsibility of investment funds and ETFs

under BNP Paribas Wealth Management's Clover evaluation

A 3-step approach

1

As a basis for the Clover evaluation of funds and ETFs, first, all equities and bonds are rated in Clovers, on the basis of data from BNP Paribas Asset Management. This essential first step is then used for the quantitative analysis of funds.

2

- **Quantitative analysis:** the Sustainability experts of BNP Paribas Wealth Management proceed to a look-through of the fund's composition, looking at the ratings of every underlying investment (equity, bond, etc.)**.
- **Qualitative analysis:** this part focuses on qualitative criteria that evaluate the responsibility of the asset management company and the quality of its reporting based on information gathered by data providers and/or asset management companies.

3

Clear mandatory quantitative and/or qualitative criteria are associated with each Clover rating***. Funds and ETFs obtain the Clover rating corresponding to the last rating for which all mandatory criteria have been validated, leading to a **final Clover rating of 1 to 5 Clover(s).**

* BNP Paribas Asset Management uses a variety of sources that are not limited to ESG data providers. More details on the data used by BNP Paribas Asset Management can be found in BNP Paribas Asset Management's Sustainability report, on page 47: https://bnpp.lk/bnppam-sustainability-report-2024. ** In case of limited data availability for the quantitative part of the analysis, the fund will be analysed only qualitatively through a questionnaire sent to the asset management company. *** Some specific criteria are linked to the evaluation of ETFs and index funds, both on the physical and synthetic baskets.

A rating between 1 and 5 Clovers

Every level of the 1-to-5 scale is associated with minimal requirements that are specific to funds and/or ETFs and coherent with the evaluation of other asset classes. The final Clover rating reflects:

- How the asset management company considers Environmental, Social and Governance (ESG) criteria;
- The responsibility of the underlying assets.

As from 3 Clovers, for all asset classes, BNP Paribas Wealth Management considers a product to be responsible and eligible to a responsible portfolio.

Examples of mandatory criteria:

From a low consideration of sustainability risks...

... to a high integration of sustainability

Analysis of policies and underlyings, based on sector policies and normative exclusions

Detailed quantitative analysis of the responsibility of underlyings

Qualitative criteria on stewardship (vote and engagement) and extra-financial reporting

BNP PARIBAS WEALTH MANAGEMENT

The bank for a changing world

About the Clover evaluation

The Clover evaluation is a **proprietary analysis created by BNP Paribas Wealth Management** to assess the responsibility level of recommended investment products of every asset class, on top of extra-financial regulatory information, when available.

The methodologies associated with each asset class are progressive and are updated over time.

Based on homogeneous and comparable data, they allow BNP Paribas Wealth Management to:

- **Consider sustainable development challenges and opportunities** in the construction of its offering, in particular by including responsible products, when available;
- **Give a clear picture to clients and advisors** of the responsibility level of recommended financial instruments;
- **Engage in an extensive dialogue with manufacturers of financial instruments and in communications with regulators.**

The Clover evaluation is integral to how we fulfil our role as a financial advisor and distributor and meet the ESG preferences of our clients, when formalised, in conformity with their risk profile.

For more information, please see the ESG Rating disclosure document – Clover evaluation, required under Annex III, point 1, of Regulation (EU) 2024/3005 and article 13 of Regulation (EU) 2019/2088.

DISCLAIMER

This marketing document is provided by the Wealth Management business of BNP Paribas, a French public limited company with a capital of €2,261,621,342, registered office 16 bd des Italiens 75009 Paris - France, registered at RCS Paris under number 662,042,449, authorised in France, under the number 662,042,449, supervised and authorised as a Bank by the European Central Bank ("ECB") and in France by the French "Autorité de Contrôle Prudentiel et de Résolution" ("ACPR") and the French "Autorité des Marchés Financiers" ("AMF") (hereinafter BNP Paribas). As a marketing document, it has not been produced in accordance with regulatory constraints to ensure the independence of investment research and is not subject to the prior transaction ban. It has not been submitted to the AMF or other market authority. This document is intended solely for use by BNP Paribas SA and companies of their Group ('BNP Paribas') and the persons to whom this document is issued. It may not be distributed, published, reproduced or revealed by recipients to other persons or reference to another document without the prior consent of BNP Paribas.

This document is for informational purposes only and does not constitute an offer or solicitation in any State or jurisdiction in which such offer or solicitation is not authorised, or with persons in respect of whom such offer, solicitation or sale is unlawful. It is not, and should under no circumstances be considered as a prospectus. The information provided has been obtained from public or non-public sources that can be considered to be reliable, and although all reasonable precautions have been taken to prepare this document, and, in the event of any reasonable precautions, the accuracy or omission of the document shall not be recognised. BNP Paribas does not certify and guarantees any planned or expected success, profit, return, performance, effect, effect or profit (whether from a legal, regulatory, tax, financial, accounting or other point of view) or the product or investment. Investors should not give excessive confidence in theoretical historical information relating to theoretical historical performance. This document may refer to historical performance; Past performance is not a guide to future performance.

The information contained in this document has been drafted without taking into account your personal situation, including your financial situation, risk profile and investment objectives. Before investing in a product, the investor must fully understand the risks, including any market risk associated with the issuer, the financial merits and the suitability of such products and consult its own legal, tax, financial and accounting advisers before making an investment decision. Any investor must fully understand the characteristics of the transaction and, if not otherwise provided, be financially able to bear the loss of his investment and want to accept such risk. The investor should remember that the value of an investment as well as the income from them may fall as well as rise and that past performance is not a guide to future performance. Any investment in a product described is subject to prior reading and to an understanding of the product documentation, in particular that which describes in detail the rights and duties of the investors and the risks inherent in an investment in that product. In the absence of any written provision, BNP Paribas does not act as an investor's financial adviser for its transactions.

The information, opinions or estimates contained in this document reflect the author's judgement on the day of his drafting; they must not be considered as authority or be substitutes by anyone in the exercise of his or her own judgement and subject to change without notice. Neither BNP Paribas nor any BNP Paribas Group entity will be liable for any consequences that may arise from the use of the information, opinions or estimates contained in this document.

By receiving this document you agree to be bound by the above limitations. © BNP Paribas (2025). All rights reserved.

CONNECT WITH US

BNP Paribas Wealth Management

wealthmanagement.bnpparibas

BNP PARIBAS WEALTH MANAGEMENT

The bank for a changing world