INFORMATION ON FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8 (1) OF REGULATION (EU) 2019/2088 (ART 10 SFDR L1) AND OF REGULATION (EU) 2022/1288 (ART 24 TO 36 SFDR L2)

Product Name: The Classic Profiled FUNDS HARMONY mandate (the "Financial Product")

Legal Identifier: UAIAINAJ28P30E5GWE37

Scope: The following financial products, promoting environmental or social characteristics (Art. 8 SFDR):

Classic profiled mandates (FUNDS HARMONY):

- Conservative,
- Balanced,
- Dynamic

Index:

(a) 'Summary' (Art.25 L2)

(b) 'No sustainable investment objective' (Art.26 L2);

(c) 'Environmental or social characteristics of the financial product' (Art.27 L2);

(d) 'Investment strategy' (Art.28 L2);

(e) 'Proportion of investments' (Art.29 L2);

(f) 'Monitoring of environmental or social characteristics' (Art.30 L2);

(g) 'Methodologies' (Art.31 L2);

(h) 'Data sources and processing' (Art.32 L2);

(i) 'Limitations to methodologies and data' (Art.33 L2);

(j) 'Due diligence' (Art.34 L2);

(k) 'Engagement policies' (Art.35 L2);

(l) where an index is designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product, 'Designated reference benchmark' (Art.36 L2).

(a) 'Summary' (Art.25 L2)

Please see below a summary of each section of this document. For more details, please refer to each of them.

The Financial Product, being the Classic Profiled FUNDS HARMONY Discretionary Portfolio Management (DPM) Mandate (the "Financial Product") invests in UCITS falling under Article 9 or Article 8 of the SFDR Regulation.

The Financial Product promotes environmental or social characteristics but does not have the objective of "sustainable investment" as defined by SFDR.

The Financial Product promotes environmental and social characteristics by evaluating how all investments consider ESG (Environmental, Social and Governance) criteria as well as the ESG characteristics of the underlying invested assets, and by investing in companies & asset managers' products that demonstrate superior ESG practices.

In addition, the Financial Product performs its selection among financial instruments with the highest level of ESG integration, targeting financial instruments with an internal extra financial rating of 3 clovers or more (out of 5) according to the proprietary BNP Paribas Wealth Management Clover evaluation, assessing the responsibility level of recommended products.

The Clover evaluation helps select investment funds that take into consideration the ESG performance of underlying issuers against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: carbon intensity trend, greenhouse gases (GHG) reduction programme, green procurement policy, environmental incidents
- Social: discrimination policy, diversity programmes, employee turnover rate, social incidents
- Governance: board independence, disclosure of directors' remuneration, board diversity, respect of shareholders rights, governance incidents

For Sovereign issuers, 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 Wealth Management's Clover evaluation is a proprietary assessment of the responsibility level of products recommended by BNP Paribas Wealth Management. It places products on a scale of 1 to 5 Clovers, 5 being the highest possible rating. It offers additional insights on the responsibility of financial instruments, on top of extra-financial regulatory information, when available.

The Financial Product invests at least 80% of its portfolio in funds or ETFs with an ESG rating of 3 or more clovers. Up to 20% of total investments may not include environmental or social characteristics, which corresponds to the share of cash, cash equivalents and non-filtered investments that, by definition, do not have sustainable characteristics.

Moreover, the Financial Product intends to promote financial instruments that best limit the negative impacts on Environmental, Social and Governance factors altogether.

To reach this commitment, this Financial Product commits to hold financial instruments which take into consideration certain adverse impacts on Environmental, Social and Governance pillars described below, thanks to the 5-Clover scale, aiming at rating the responsibility level of financial instruments and services in a consistent way across asset classes (see question below for further information).

By investing in minimum 3-Clover rated financial instruments, the Financial Product can demonstrate it promotes financial instruments that limit adverse impacts on sustainable factors. Within the Clover methodology associated with investment funds, PAI 10 (Violations of United Nations (UN) Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises)[1] and PAI 14 (exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)[2] are considered : to be 3 or more Clovers, a fund need to declare taking into account violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises and excluding exposure to controversial weapons.

The Classic Profiled FUNDS HARMONY mandates obtained the label LuxFLAG ESG Discretionary Mandate in January 2023, January 2024 and December 2024.

(b) 'No sustainable investment objective' (Art.26 L2);

This Financial Product promotes environmental or social characteristics but does not have the objective of "sustainable investment" as defined by SFDR.

(c) 'Environmental or social characteristics of the financial product' (Art.27 L2);

The Financial Product promotes environmental and social characteristics by evaluating how all investments consider ESG (Environmental, Social and Governance) criteria as well as the ESG characteristics of the underlying invested assets, and by investing in companies & asset managers' products that demonstrate superior ESG practices.

In order to meet the environmental or social characteristics, the Financial Product invests in undertakings for the collective investment in transferable securities (UCITS) and exchange-traded funds (ETFs) classified as article 9 or article 8 under the Sustainable Finance Disclosure Regulation (SFDR). The Financial Product performs its selection among financial instruments with the highest level of ESG integration, targeting financial instruments with an internal extra financial rating of 3 Clovers or more (out of 5) according to the proprietary BNP Paribas Wealth Management Clover evaluation, assessing the responsibility level of products.

The Clover evaluation helps select investment funds that take into consideration the ESG performance of underlying issuers against a combination of ESG factors which include but are not limited to:

- Environmental: carbon intensity trend, greenhouse gases (GHG) reduction programme, green procurement policy, environmental incidents
- Social: discrimination policy, diversity programmes, employee turnover rate, social incidents
- Governance: board independence, disclosure of directors' remuneration, board diversity, respect of shareholders rights, governance incidents

For Sovereign issuers, 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 Wealth Management's Clover evaluation is a proprietary assessment of the responsibility level of products recommended by BNP Paribas Wealth Management. It places products on a scale of 1 to 5 Clovers, 5 being the highest possible rating. It offers additional insights on the responsibility of financial instruments, on top of extra-financial regulatory information, when available.

[1] Principal Adverse Impact number 10 listed in Table 1, Annex I, of Commission Delegated Regulation (EU) 2022/1288.
[2] Principal Adverse Impact number 14 listed in Table 1, Annex I, of Commission Delegated Regulation (EU) 2022/1288.

No index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

(d) 'Investment strategy' (Art.28 L2);

The Financial Product only invests in UCITS, and ETFs classified as article 9 or article 8 under SFDR.

BNP Paribas Wealth Management has set up a robust proprietary evaluation that assesses the responsibility level of financial instruments: the "Clover evaluation". It places all recommended products on a scale of 1 to 5 Clovers, by asset class.

The Financial Product will systematically integrate the consideration of Clover ratings into its investment analysis and decision-making processes.

The Clover score reflects how funds consider ESG criteria, at fund and asset management level, as well as the ESG characteristics of the underlying invested asset.

(e) 'Proportion of investments' (Art.29 L2);

The Financial Product invests at least 80% of its portfolio in funds and ETFs with an ESG rating of 3 or more clovers.

The remainder, i.e. maximum 20%, will consist of cash, cash equivalents and non-filtered investments and will not be aligned with the promoted E/S characteristics.

(f) 'Monitoring of environmental or social characteristics' (Art.30 L2);

The monitoring of environmental or social characteristics is ensured through a dedicated three-layers control framework.

First, BNP Paribas Wealth Management's Sustainability Office rates the underlying fund on the clover scale and ensures that the product satisfies minimum criteria (after the analysis of the fund's holdings and the fund's investment process) in order to obtain 3 clovers out of 5.

Second, BGL BNP Paribas Portfolio Managers control the clover rating in order to select products with at least a 3-clover rating and make additional research in order to ensure that LuxFLAG exclusion criteria are met before making any investment decision.

Finally, ex-post controls are performed by the Risk Investment Team on the restraining sustainability indicators, used to measure the achievement of the environmental or social characteristics promoted by the Financial Product.

(g) 'Methodologies' (Art.31 L2);

BNP Paribas Wealth Management has set up a robust proprietary evaluation that assesses the responsibility level of financial instruments : the "Clover evaluation". It places all recommended products on a scale of 1 to 5 Clovers, by asset class.

The Clover score reflects how funds consider ESG criteria, at fund and asset management level, as well as the ESG characteristics of the underlying invested asset.

The Financial Product will systematically integrate the consideration of Clover ratings into its investment analysis and decision-making processes.

(h) 'Data sources and processing' (Art.32 L2);

BGL BNP Paribas relies on a robust BNP Paribas Wealth Management proprietary evaluation that assesses the responsibility level of recommended financial instruments and ranks them on a 1-to-5 Clover scale.

In order to evaluate funds and ETFs and compute the Clover rating, when data availability is sufficient (more than 80% coverage of the underlying invested assets), BNP Paribas Wealth Management relies on:

1/ a set of data provided by the asset managers through the European ESG template (EET) and questionnaire, and

2/ a quantitative analysis mostly based on a comprehensive analysis of a wide selection of ESG data points performed by BNP Paribas Asset Management's Sustainability Center, reflecting the ESG characteristics of the underlying invested assets.

In case of lack of data, funds are rated only qualitatively based on a questionnaire sent to the asset management company.

With respect to market data providers, BNP Paribas Asset Management selects them using a two-step due diligence process. BNP Paribas Asset Management's Quantitative Research Group begins by analyzing providers' data sets, which includes examining the coverage of data and its quality, and a statistical review of estimation methodologies, among other items. At the same time, BNP Paribas Asset Management's Sustainability Center performs a qualitative review of methodologies used and the relevance of selection criteria.

Once BNP Paribas Asset Management has selected a provider, the data sets are usually automatically uploaded to the IT systems. BNP Paribas Asset Management's market data team oversees governance related to the relationship with the provider, and as part of this process, BNP Paribas Asset Management performs an annual review of its market data contracts. ESG brokers are selected, monitored and assessed through a formal process organized by BNP Paribas Asset Management's External Brokers department and formalized once a year by its Global Brokers Committee.

BNP Paribas Asset Management's external specialized providers and what they offer are as follows:

- Sustainalytics provides with raw data metrics that are used selectively to feed the ESG scoring model. This provider is also used for UNGC analysis and controversies offerings.
- S&P Trucost, CDP, Bloomberg, 427, TPI, SBTi and Climate Action 100+: are used for the climate change and physical risk analysis. Bloomberg and S&P Trucost also provide with corporate Scope 1 & 2 carbon emissions data.
- CDP, S&P Trucost, Forest 500, TRASE, SPOTT, FAIRR, and Iceberg Data Lab provide with water, deforestation and biodiversity metrics that are used to assess and report on the biodiversity footprints of our portfolios and holdings.
- ISS and Proxinvest provide with their governance research and data to feed the ESG scoring model.
- Beyond Ratings provides with data and research used in the ESG sovereign research and scoring framework.
- ESG and mainstream brokers provide with research papers and other market information.
- Factset provides with financial and enterprise value data
- Bloomberg provides with EU Taxonomy alignment rate data that is used as part of the Sustainable Investment definition
- BNP Paribas Asset Management has partnered with Matter to create a revenue-based SDG-alignment model for corporates leveraging Factset Hierarchy data which is used as part of the Sustainable Investment definition.
- CDP, Bloomberg, S&P Trucost, Factset, Sustainalytics & ISS is also used to source various Principle Adverse Impact (PAI) indicators.

Please note that corporate Scope 1 & 2 carbon emissions data sourced by Trucost contains some estimated values.

(i) 'Limitations to methodologies and data' (Art.33 L2);

The limitations are the following:

- Non-harmonized ESG data across asset managers (information used for the qualitative analysis of the Clover evaluation), as there is no common European label as well as different indicators or methodologies behind common names, sometimes;
- Time to spread and take into account the data update for the portfolio manager, data: (1) from the issuers to data providers and then to BNP Paribas Asset Management (for the quantitative part of the analysis); (2) from issuers to asset managers and then to Delegated Solutions and the Sustainability Office of BNPP WM (for the qualitative part of the analysis)
- Regarding the funds' portfolios' ESG assessment by BNP Paribas Asset Management (part of the clover rating): despite the rapid increase in availability in recent years, ESG data is still relatively immature in particular when compared to mainstream financial data. Data availability presents an array of limitations in data processing and methodology development:
  - Due to lack of significant historical data, it is common to observe methodologies and/or models being developed without or with limited back testing.
  - ESG scores of issuers can be affected by data availability and companies with lower data availability are more likely to be assigned an "average" score.
  - The assessment of the EU Taxonomy and SDG alignment of economic activities of some issuers is not taken into account in the datasets we are currently using. Therefore, a complementary fundamental analysis process has been developed to complement our current EU Taxonomy and SDG datasets.

In evaluating a security based on the extra-financial criteria, BNP Paribas Asset Management may also use data sources provided by external extra-financial research providers. Given the evolving nature of extra-financial field, these data sources may for the time being be incomplete, inaccurate, unavailable or not 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 financial product's 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.

(j) 'Due diligence' (Art.34 L2);

BGL BNP Paribas relies on BNP Paribas Wealth Management controls performed through the clover rating process.

Within its clover rating process, BNP Paribas Wealth Management relies on BNP Paribas Asset Management ESG scoring and data.

Regarding the latter, BNP Paribas Asset Management performs an ESG analysis on the underlying assets through its proprietary ESG score composed of environmental, social and governance indicators. This ESG score is part of the investment decision process of the portfolio manager. Controls are carried out by the fund manager to ensure that commitments related to this ESG score are respected at any time. Independent controls are also carried out by the Risk function of BNP Paribas Asset Management to identify any potential breach which would be remedied following an escalation process. BNP Paribas Asset Management apply a layer of data quality and control to the underlying metrics we source from third parties to narrow our focus to the indicators that we deem to have sufficient coverage, quality and insight. When ESG updates are performed each ESG Sector Analyst performs quality and coherence controls on the main changes of companies in their sector.

(k) 'Engagement policies' (Art.35 L2);

BGL BNP Paribas doesn't have its own engagement policy but, for funds and ETFs where BNP Paribas Asset Manager is the asset manager, relies on the Environmental, Social and Governance (ESG) expertise and engagement policy of BNP Paribas Asset Management, which is to be found in the Stewardship Strategy that includes exercise of voting rights (BNP Paribas Asset Management Stewardship Policy).

(l) 'Designated reference benchmark' (Art.36 L2).

No index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.