

STATEMENT ON CARDIF LUX VIE'S PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY

*INFORMATION PURSUANT TO ARTICLE 4 OF REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT
AND THE COUNCIL OF 27 NOVEMBER 2019*



CARDIF LUX VIE
BNP PARIBAS GROUP

The insurer
for a changing
world

Cardif Lux Vie, a subsidiary of BNP Paribas Cardif and BGL BNP Paribas, is making the following information public in compliance with Article 4 of the European Regulation (EU) 2019/2088 "Sustainable Finance Disclosure Regulation" (SFDR) and its technical standards, which introduce new obligations for transparency of adverse sustainability impacts at entity level.

Entities subject to SFDR make a statement on due diligence policies with regard to principal adverse impacts on sustainability, taking into account their size, the nature and scope of their activities and the types of financial products they make available. These are the adverse impacts of investment decisions on sustainability factors.

A. SUMMARY OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

Cardif Lux Vie (LEI legal entity identifier code: 213800I92TAU7I3FP232) considers the Principal Adverse Impacts on Sustainability of its investment decisions.

This 2024 declaration includes adverse impact indicators for fiscal years 2022, 2023 and 2024, covering a reference period from 1 January to 31 December.

The consideration of adverse sustainability impacts applies to the assets of the Cardif Lux Vie General Fund. For External Funds, information on the principal adverse impacts is available, where applicable, from the management companies. Cardif Lux Vie has identified the principal adverse impacts in the management of its investments, and is seeking to mitigate these impacts by continuing to strengthen its non-financial approach to its investment policy. The principal adverse impacts are taken into account at two levels: through the application of sector exclusions and through an ESG (Environment, Social and Governance) analysis and integration process. This is complemented by a policy of shareholder engagement.

The purpose of this statement is to assess the Principal Adverse Impacts (PAI) generated by the companies or countries in which Cardif Lux Vie invests.

PAI are quantitative indicators that enable this assessment, and require a large amount of data for their calculation, the reliability of which may vary depending on their source (based on declarations by issuers, companies, states, or on estimates made by service providers).

B. DESCRIPTION OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS AND HISTORICAL COMPARISON

This statement presents the values of the principal adverse impacts indicators (PAI) for the years 2022, 2023 and 2024. Two notable changes have been made between the 2023 and 2024 fiscal years:

1. Asset scope: In 2024, Cardif Lux Vie now includes in its calculations the equities and bonds present in the listed funds belonging to the General Fund, which have been made look-through, representing an amount of €720 million. The 2024 scope is therefore defined as follows:
 - For the Corporations scope: Equities and bonds held directly and in look-through funds
 - For the Sovereigns scope: Bonds held directly and in look-through funds
 - For the Real Estate scope: Direct real estate

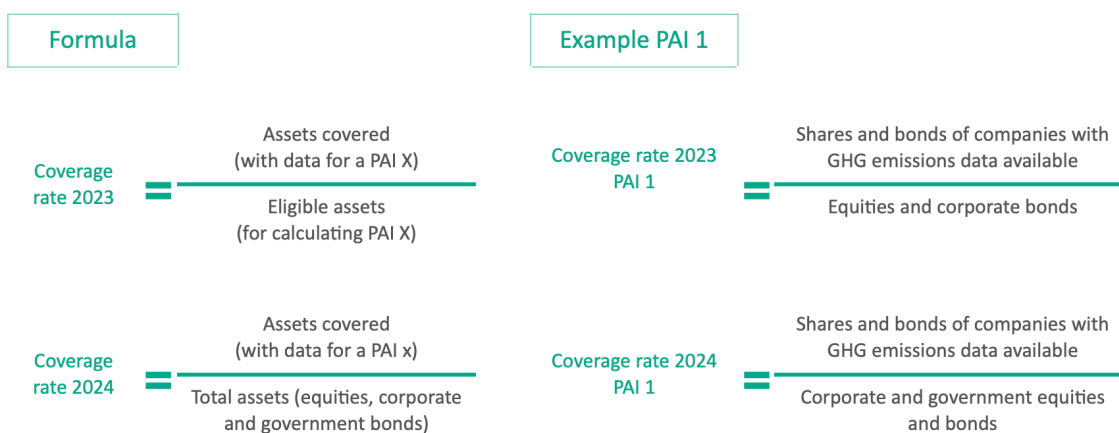
At 31/12/24, these assets represented 95.6% of investments in the Cardif Lux Vie General Fund and 23.3% of total investments by the Cardif Lux Vie entity (General Fund and units of account).

This change has a particular impact on PAI 16.

2. Service provider: This year, Cardif Lux Vie has entrusted the production of its PAI indicators to BNP Paribas Asset Management (BNPP AM), and thus displays PAI calculated according to BNPP AM methodology, in order to strengthen the consistency of indicators within the BNP Paribas Group.

There are three significant methodological differences between 2024 and 2023:

- For a given instrument, each service provider understands the data differently, so the proportion of reported and estimated data varies and can lead to differences in indicator values and coverage rates. This change is particularly noticeable for PAI 1, 2 and 3.
- The basis of calculation (denominator) for some PAI is different, diluting the indicator and making it difficult to compare with N-1. This change notably impacts PAI 2, 3, 7 and 15.
 - For PAI 2, 3 and 15, the denominator is extended to all assets (sovereign and corporate).
 - For PAI 7 (Activities having an adverse impact on biodiversity-sensitive areas), the analysis was previously carried out only on companies belonging to high-impact sectors (NACE1 sectors used: A, B, C, D, E, F, G, H & L). This year, the service provider is carrying out the analysis on all companies in all sectors. Hence the higher proportion of companies with no impact on biodiversity in the 2024 calculation.
- In line with regulations, the coverage rates representing the proportion of assets with data are now calculated on a broader denominator basis, represented by corporate and government equities and bonds held directly and in look-through funds. In 2023, however, the calculations were based on the PAI-eligible assets only. For example, for PAI 1 in 2023, the eligible assets were directly-held corporate equities and bonds, with a coverage rate of 93.6%. In 2024, the PAI 1 coverage rate is only 58.9%, due to a higher denominator (addition of sovereign bonds).



Within the corporate scope (equities and bonds held directly and in look-through funds), 2% of issuers (at market value) are not recognized by the service provider, and are therefore not analysed and taken into account in the calculation of impact indicators and coverage rates.

In line with EU Delegated Regulation 2022/1288, Cardif Lux Vie presents here the 18 mandatory PAI indicators (Table 1) on environmental and social issues applicable to investments in companies, sovereign or supranational issuers and real estate assets, as well as 2 optional indicators: one related to climate and environmental issues (Table 2) and one related to social and personnel issues, respect for human rights or anti-corruption (Table 3).

For 2024, as part of the optional PAI linked to social and personnel issues, respect for human rights or the fight against corruption, BNP Paribas Cardif has chosen to publish the PAI 9S (exposure to companies with no human rights policy) instead of the PAI 20S (human rights performance of states).

PRIORITIZATION OF THE PRINCIPAL ADVERSE IMPACTS

- The prioritization of the principal adverse impacts is based on an analysis combining: Perception of major environmental, social, societal and governance issues;
- The nature of investments;
- The availability and reliability of the data needed to monitor them.

1 - Taking into account BNPP AM's estimation method for issuers without scope 3 data, the amount comes to 439,581 tCO2eq.

Cardif Lux Vie takes into account and prioritises adverse impacts as follows:

ESG policies/ Adverse impacts	Normative and sectoral exclusions	Analysis and ESG integration	Shareholder engagement	Indicators
Social violations	X	X		- Countries subject to social violations (PAI 16)
Greenhouse gases	X	X	X	- Carbon emissions (PAI 1) - Carbon footprint (PAI 2) - Carbon intensity (PAI 3) - Exposure to fossil fuel companies (PAI 4) - Share of non-renewable energy production (PAI 5)
Global Compact principles	X	X	X	- Specific filter assessing the extent to which the pillars of the Global Compact have been integrated (PAI 11)
Controversial weapons	X	X		- Companies identified in the controversial weapons sector (PAI 14)
Energy efficiency		X		- Exposure to energy-inefficient real estate assets (PAI 18)

TABLE 1 - INDICATORS FOR INVESTMENTS IN COMPANIES

Climate and other environmental indicators						
Indicators of adverse impact on sustainability	Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Greenhouse gas emissions	1. GHG emissions	Level 1 GHG emissions in tonnes of CO2 equivalent	70 474 tCO2eq	90 794 tCO2eq	140 368 tCO2eq	Actions taken: <ul style="list-style-type: none">- Objective of aligning investment portfolios with a trajectory in line with the Paris Agreement (member of the Net Zero Asset Owner Alliance)- ESG process and Carbon Transition Filter- Sectoral policies: Power generation from coal, oil and gas.- Shareholder engagement policy Defined targets: <ul style="list-style-type: none">- Cardif Lux Vie contributes to the commitment made by BNP Paribas Cardif (parent company of Cardif Lux Vie) to reduce the carbon footprint of directly held equity and corporate bond portfolios by at least 50% between the end of 2020 and the end of 2029).- Reduce greenhouse gas emissions in high-stake sectors (electricity producers and the oil and gas sector) by the end of 2029.- Pursue the phase-out of thermal coal, with an exit from the thermal coal value chain by 2030 at the latest for European Union and OECD countries, and by 2040 at the latest for the rest of the world's directly-held corporate equity and bond portfolios.- Through BNP Paribas Cardif, engage in dialogue with the companies that emit the most greenhouse gases.
		Level 2 GHG emissions in tonnes of CO2 equivalent	29 658 tCO2eq	28 232 tCO2eq	38 227 tCO2eq	
		Level 3 GHG emissions in tonnes of CO2 equivalent	71 269 tCO2eq	799 889 tCO2eq	1 249 974 tCO2eq	
		Total GHG emissions in tonnes of CO2 equivalent	171 401 tCO2eq	918 915 tCO2eq	1 428 569 tCO2eq	
	2. Carbon footprint	Carbon footprint in tonnes of CO2 equivalent per million euros invested	22 tCO2eq/MEUR Investi	235 tCO2eq/MEUR Investi	291 tCO2eq/MEUR Investi	
	3. GHG intensity of investee companies	GHG intensity of investee companies in tonnes of CO2 equivalent per million euros of investee sales	61 tCO2eq/MEUR sales	1 019 tCO2eq/MEUR sales	1 259 tCO2eq/MEUR sales	

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Greenhouse gas emissions	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (%)	3,5%	5,9%	6,8%	<p>This exposure is calculated in accordance with SFDR regulations. This takes into account the full value of investments made in companies where part of their business is linked to the fossil fuel sector. This exposure therefore includes companies - notably electricity producers - with activities in fossil fuels and other energies, including renewable energies. Note that in 2024, the gas distribution business is no longer taken into account, due to the change of service provider.</p> <p>Cover: 69.3%</p> <p>New calculation service provider for 2024: BNPP AM</p>	<p>Actions taken:</p> <ul style="list-style-type: none">- Objective of aligning investment portfolios with a trajectory in line with the Paris Agreement- ESG process and Carbon Transition Filter- Sectoral policies: Power generation from coal, oil and gas.- Shareholder engagement policy <p>Defined targets:</p> <ul style="list-style-type: none">- Pursue the phase-out of thermal coal, with a definitive exit from the thermal coal value chain by 2030 at the latest for European Union and OECD countries, and by 2040 at the latest for the rest of the world's directly-held corporate equity and bond portfolios.- Reduce greenhouse gas emissions in high-stake sectors (electricity and oil producers & gas) by the end of 2029.
	5. Share of non-renewable energy consumption and production	Share of energy consumption and production by investee companies from non-renewable energy sources, compared with that from renewable energy sources, expressed as a percentage of total energy sources (in %).	Share of consumption: 53,7%	Share of consumption: 52,2%	Share of consumption: 58,0%	<p>Consumption coverage: 53.5%</p> <p>Production coverage: 1.8%</p> <p>New calculation service provider for 2024: BNPP AM</p>	<p>Actions taken:</p> <ul style="list-style-type: none">- Objective of aligning investment portfolios with a trajectory in line with the Paris Agreement (Net Zero Asset Owner Alliance)- ESG process and Carbon Transition Filter- Sectoral policies: Power generation from coal, oil and gas.- Shareholder engagement policy <p>Defined targets:</p> <ul style="list-style-type: none">- Pursue the phase-out of thermal coal, with a definitive exit from the thermal coal value chain by 2030 at the latest for European Union and OECD countries, and by 2040 at the latest for the rest of the world's directly-held corporate equity and bond portfolios- Sector target for electricity producers.- Invest an average of at least €80 million a year between 2020 and 2025 in environmental investments, including renewable energies.

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Greenhouse gas emissions	6. Energy consumption intensity by sector with high climate impact	Energy consumption in GWh per million euros of sales of investee companies, by sector with high climate impact	sector NACE A: 0,00 sector NACE B: 1,14 sector NACE C: 0,20 sector NACE D: 0,76 sector NACE E: 2,51 sector NACE F: 0,12 sector NACE G: 0,18 sector NACE H: 0,29 sector NACE L: 0,54 Unity : GWh/ MEUR sales	sector NACE A: 0,00 sector NACE B: 0,00 sector NACE C: 0,25 sector NACE D: 8,00 sector NACE E: 2,83 sector NACE F: 5,11 sector NACE G: 0,25 sector NACE H: 0,11 sector NACE L: 0,34 Unity : GWh/ MEUR sales	sector NACE A: 0,00 sector NACE B: 0,00 sector NACE C: 0,29 sector NACE D: 1,75 sector NACE E: 3,14 sector NACE F: 0,47 sector NACE G: 0,17 sector NACE H: 0,12 sector NACE L: 0,15 Unity : GWh/ MEUR sales	NACE coverage A, B, E, F, G, H, L:<1% NACE C coverage: 10,2% NACE D coverage: 1,3% New calculation service provider for 2024: BNPP AM	Actions taken: <ul style="list-style-type: none">- Objective of aligning investment portfolios with a trajectory in line with the Paris Agreement- ESG process and Carbon Transition Filter- Sectoral policies: Power generation from coal, oil and gas.- Shareholder engagement policy Defined targets: <ul style="list-style-type: none">- Pursue the phase-out of thermal coal, with a definitive exit from the thermal coal value chain by 2030 at the latest for European Union and OECD countries, and by 2040 at the latest for the rest of the world's directly-held corporate equity and bond portfolios.- Sector target for electricity producers.- Invest an average of at least €80 million a year between 2020 and 2025 in environmental investments, including renewable energies.- Through BNP Paribas Cardif, engage in dialogue with the companies that emit the most greenhouse gases.
Biodiversity	7. Activities with an adverse impact on biodiversity-sensitive areas	Share of investments made in companies with sites/ establishments located in or near biodiversity-sensitive areas, if the activities of these companies have an adverse impact on these areas (expressed in %).	3,6%	98%	75,9%	The data is not directly published by companies. The analysis is carried out by geolocating company activities that have an adverse impact on sensitive areas (such as Natura 2000 protected areas, UNESCO World Heritage sites, etc.). Cover: 62,3% New calculation service provider for 2024: BNPP AM	Actions taken: <ul style="list-style-type: none">- ESG process- Sectoral policies: Coal-fired power generation, Oil & Gas, Mining- Agriculture, Palm oil, Paper pulp- Measure the biodiversity footprint of portfolios- Continue to invest in biodiversity-themed funds: Cardif Lux Vie (via BNP Paribas Cardif) participates in the 2025 biodiversity funds

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Water	8. Discharge into water	Tonnes of water discharges from investee companies, per million euros invested, weighted average.	0,00 t/M EUR invested	0,04 t/M EUR invested	0,05 t/M EUR invested	Few companies publish this data, so the coverage rate is particularly low, and the result should be interpreted with caution. Cover: <1% New calculation service provider for 2024: BNPP AM In the numerator: - In 2023, the service provider used only estimated data. - In 2024, the methodology used by the service provider only takes into account data published by companies, resulting in a lower numerator. In the denominator: - In 2024, the denominator used for the calculation is extended to include companies not covered. Hence a lower coverage rate, and a lower impact in 2024.	Actions taken: <ul style="list-style-type: none">- ESG process- Sectoral policies: Agriculture, Pulp & Paper, Mining
Waste	9. Ratio of hazardous and radioactive waste	Tonnes of hazardous and radioactive waste produced by investee companies, per million euros invested, weighted average.	0,26 t/M EUR invested	0,66 t/M EUR invested	0,63 t/M EUR invested	Cover: 48,0% New calculation service provider for 2024: BNPP AM In 2024, the denominator used for the calculation is extended to include companies not covered. Hence a lower impact in 2024.	Actions taken: <ul style="list-style-type: none">- ESG process- Sectoral policies: Nuclear, Mining

Indicators relating to social issues, personnel, respect for human rights and the fight against corruption and bribery

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Social and personnel issues	10. Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	Share of investments in companies involved in violations of the principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises (expressed in %)	0,2%	2,2%	3,7%	Cover: 59,4% New calculation service provider for 2024: BNPP AM In 2023, the service provider uses estimated data and a denominator reduced to the companies covered. In 2024, the service provider uses internal and reported data, leading to a lower numerator result. In addition, the denominator used for the calculation has been extended to include companies not covered. Hence a lower impact in 2024.	Actions taken: <ul style="list-style-type: none">- ESG process and exclusion filter linked to non-compliance with Global Compact principles- Shareholder engagement policy

Indicators relating to social issues, personnel, respect for human rights and the fight against corruption and bribery

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Social and personnel issues	11. Lack of compliance processes and mechanisms to monitor adherence to the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Share of investments in companies that do not have a policy for monitoring compliance with the principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises, or mechanisms for handling complaints or remedying such violations (expressed as a %)	29,0%	0,09%	0,0%	Cover: 62,1% New calculation service provider for 2024: BNPP AM In 2024, the methodology used by the new service provider is different from the previous one, and identifies more companies. The 2024 calculation based solely on directly-held equities and bonds (excluding look-through funds) comes to 28,4%	Action taken: <ul style="list-style-type: none">- ESG process and exclusion filter linked to non-compliance with Global Compact principles
	12. Unadjusted gender pay gap	Average unadjusted pay gap between men and women in investee companies (expressed as a monetary amount converted into euros)	7,9%	16,7%	16,8%	Few companies publish this data according to the exact definition of this PAI, so the coverage rate is low. Cover: 4,2% The impact must be interpreted with caution. New calculation service provider for 2024: BNPP AM In 2023, the service provider uses estimated data. In 2024, the service provider uses reported data. As a result, the coverage rate and impact are declining.	Action taken: <ul style="list-style-type: none">- ESG process
	13. Gender diversity in governance bodies	Average ratio of women to men in the governance bodies of the companies concerned, as a percentage of the total number of members	41,0%	39,4%	39,7%	Cover: 51,9% New calculation service provider for 2024: BNPP AM	Action taken: <ul style="list-style-type: none">- ESG process- Shareholder engagement policy
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical or biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons (expressed as a %)	0,0%	0,0%	0,8%	Cover: 62,9% New calculation service provider for 2024: BNPP AM	Action taken: <ul style="list-style-type: none">- ESG process- Sector policy: Defence & Security

Indicators applicable to investments in sovereign or supranational issuers							
Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Environment	15. GHG intensity	GHG intensity of investment countries in tonnes of CO2 equivalent per million euros of gross domestic product	87 tCO2eq/M EUR de PIB	399 tCO2eq/M EUR de PIB	427 tCO2eq/M EUR de PIB	Cover: 20.3% New calculation service provider for 2024: BNPP AM A change in the denominator methodology reduces the impact for 2024. The AUM in the denominator are enhanced by corporate equities and bonds (+€5.4 bn), diluting the impact.	Action taken: <ul style="list-style-type: none">- ESG process
	16. Investment countries with violations of social standards	Number of investment countries with violations of social standards as defined by international treaties and conventions, UN principles or, where applicable, national law (numerical value)	4	0	0	Cover: 23.1% New calculation service provider for 2024: BNPP AM The impact was nil in 2023 for equities and bonds held directly. Similarly, in 2024, there will be no impact on the scope of directly-held equities and bonds, as the 4 countries concern the broader scope with the transition to look-through of funds. Cover: 23.1% New calculation service provider for 2024: BNPP AM The impact was nil in 2023 for equities and bonds held directly. Similarly, in 2024, there will be no impact on the scope of directly-held equities and bonds, as the 3.7% concern the broader scope with the transition to look-through of funds.	Actions taken: <ul style="list-style-type: none">- ESG process- Embargo policy and financial sanctions
Indicators applicable to investments in real estate assets							
Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Fossil fuels		17. Exposure to fossil fuels via real estate assets	Share of investment in real estate assets used to extract, store, transport or produce fossil fuels (expressed in %)	0.0%	0.0%	0.0%	The entity does not invest in this type of asset
Efficacité énergétique		18. Exposure to energy-inefficient real estate assets	Share of investment in energy-inefficient real estate assets (expressed in %)	100.0%	100.0%	100.0%	Actions taken: <ul style="list-style-type: none">- Energy audits and action plans to improve building energy performance- During major renovation work, seek to improve environmental performance and energy performance diagnostic labels

TABLE 2 - ADDITIONAL CLIMATE AND OTHER ENVIRONMENTAL INDICATORS

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Greenhouse gas emissions	4. Investments in companies with no initiatives to reduce their carbon emissions	Share of investments in companies that have not taken initiatives to reduce their carbon emissions in order to comply with the Paris Agreement	61,8%	45,7%	41,1%	<p>Cover: 67,8%.</p> <p>The phrase "to reduce their carbon emissions in order to comply with the Paris Agreement" is open to interpretation. BNPP AM has adopted a conservative approach, considering all companies that do not have targets in line with the Paris Agreement (below 2°C) as falling within the scope of this PAI.</p>	<p>Action taken:</p> <ul style="list-style-type: none">- Shareholder engagement policy <p>Target defined:</p> <ul style="list-style-type: none">- Through BNP Paribas Cardif, engage in dialogue with the companies with the highest greenhouse gas emissions

TABLE 3 - ADDITIONAL INDICATORS RELATING TO SOCIAL AND PERSONNEL ISSUES, RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY

Indicators of adverse impact on sustainability		Measuring element	Impact 2024	Impact 2023	Impact 2022	Explanatory note for 2024	Actions taken, measures planned and targets set for the next reference period
Social and personnel issues	9. Exposure to companies with no human rights policy	Share of investments in companies with no human rights policy	2.0%	-	-	Optional new indicator in 2024 (first measurement) Cover: 60% Service provider: BNPP AMI	Actions taken: <ul style="list-style-type: none">- ESG process- Embargo policy and financial sanctions

HISTORICAL COMPARISON, CALCULATION METHODOLOGIES AND MARGINS OF ERROR

This statement presents the values of the principal adverse impacts indicators (PAI) for the years 2023 and 2024. It provides the following findings:

Sovereign level:

- The increase in the scope of PAI calculations and the change of service provider mean that it is not possible to interpret changes in PAI between 2023 and 2024.
- The indicators are based on financial ("EVI", Sales, GDP) and non-financial data whose availability, quality or volatility make it impossible to compare the PAI between the 2023 and 2024 financial years.
- Non-financial data:
 - Variability in data quality can be explained by the following factors: Some of the data reported by companies is not yet standardized and is heterogeneous. Others not reported by companies can be estimated using models that may change from one year to the next.
 - The coverage rate has not yet stabilized and varies from year to year. As a result, data for some PAI is not available, as it has not yet been reported by companies or modelled. Indicators with a low coverage rate should be interpreted with caution, as they are not representative of the portfolio as a whole.

Real estate investments:

- Cardif Lux Vie does not invest in real estate assets linked to fossil fuels (PAI 17).
- PAI 18 remains stable compared with the end of 2023.

C. DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITIZE THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

Cardif Lux Vie takes adverse sustainability impacts into account in its investment strategy, in line with its risk management policy. The investment policy is broken down by asset class. For each of them, distinct approaches and methodologies are used to integrate the specific features of the different asset classes. To analyse investments from a non-financial perspective, Cardif Lux Vie collects ESG data for each asset class from external suppliers.

The investment process, which includes non-financial criteria and consideration of the principal adverse impacts, is described in the investment policy. It is submitted at least once a year to the Board of Directors of Cardif Lux Vie. The investment policy is presented annually by the Head of Asset Management to the ALM Investments Committee and the Board of Directors.

Cardif Lux Vie takes into account the principal adverse impacts through:

- The application of sector exclusions defined at BNP Paribas Group level;
- Sector-specific commitments (tobacco, thermal coal, power generation, oil and gas);
- ESG analysis and integration process;
- Commitments to reduce the carbon footprint of its portfolios;
- Its shareholder engagement policy.

Cardif Lux Vie regularly reinforces its non-financial approach in line with new issues to be taken into account and the information available from data providers.

C1. SECTORAL POLICIES DEFINED AT BNP PARIBAS LEVE

Cardif Lux Vie applies the lists of restrictions set out in the BNP Paribas Group's sectoral¹ policies. These policies provide a framework for investments in sectors presenting environmental or social challenges, by identifying companies or issuers to be excluded from the investment universe. They are regularly extended or revised, and reflect a committed stance in these sectors.

1- <https://group.bnpparibas/nos-engagements/transitions/politiques-de-financement-et-dinvestissement>.

BNP Paribas Group sectoral policies governing exclusions applied by BNP Paribas Cardif and Cardif Lux Vie

DEFENCE & SECURITY	The defence and security sector is essential to the protection of democracies and their citizens. In March 2025, BNP Paribas reaffirmed its commitment to supporting the financing of defence companies, mainly in NATO countries, and mostly in Europe. The Group has developed a policy designed to govern all its activities related to the defence and security industry. Published in 2010 and last updated in 2025, BNP Paribas' defence policy states that it will not finance weapons governed by major international conventions, such as anti-personnel mines or cluster munitions. In addition, it excludes any transaction related to the export of defence and security equipment to a country with which the transaction would pose an overriding human rights risk.
PALM OIL	Since 2017, the palm oil policy has included an assessment of new palm oil plantations according to the HCS (High Carbon Stock) approach aimed at protecting forests with a high carbon stock, making it one of the most advanced policies in the financial sector.
PAPER PULP	A major source of income for thousands of people, pulp production can also have environmental impacts, particularly in terms of deforestation. BNP Paribas' pulp and paper policy is based on the FSC (Forest Stewardship Council) and PEFC (Program for Endorsement of Forest Certification Schemes) standards to ensure sustainable forest management.
NUCLEAR ENERGY	According to the International Atomic Energy Agency, nuclear power will provide 10% of the world's electricity by 2020. What's more, all the IPCC's "net zero" scenarios include a share of nuclear power. With this policy, BNP Paribas aims to ensure that the projects it helps finance comply with the global principles of environmental and social impact control and mitigation for the nuclear energy sector.
COAL-FIRED POWER GENERATION	First published in 2011, this sector policy has been regularly updated over the years to incorporate more stringent criteria. The latest commitment came in May 2020, with the announcement of a total phase-out of thermal coal by 2030 in European Union and OECD countries, and by 2040 in the rest of the world.
AGRICULTURE	In February 2021, BNP Paribas integrated new criteria into its agriculture policy to combat deforestation in the Amazon and Cerrado regions. BNP Paribas is committed to encouraging its customers producing or purchasing beef or soy from the Amazon and Cerrado regions of Brazil to have a "zero deforestation" strategy by 2025, and to transparently demonstrate their progress.
MINING INDUSTRY	The mining sector is a source of GDP for many countries, and also serves to produce basic elements for most sectors of the economy. Many minerals are key to the energy transition, playing a major role in the production of electric vehicles and wind and solar power, for example. BNP Paribas' mining activities are governed by its financing and investment policy.
OIL AND GAS	In 2017, BNP Paribas defined an initial financing and investment policy for the sector, focusing in particular on the unconventional. The following year, BNP Paribas tightened its financing restrictions and criteria in the particularly sensitive ecosystems of the Amazon and the Arctic, an area for which the Group has adopted the definition of the Arctic Council's monitoring and assessment program in 2022.

C2. SECTOR-SPECIFIC COMMITMENTS (TOBACCO, THERMAL COAL)

Cardif Lux Vie, through BNP Paribas Cardif, has made commitments concerning sectors of activity that are particularly harmful to public health and the environment, in order to avoid or mitigate adverse impacts.

Tobacco sector exclusions: since 2017, Cardif Lux Vie has applied a "tobacco-free" investment policy within its portfolios. Cardif Lux Vie, through BNPP Cardif has also been a signatory of the Tobacco Free Finance Pledge since 2018. BNP Paribas Cardif excludes manufacturers, wholesalers and distributors whose sales derive more than 10% from tobacco.

Thermal coal exclusions: Cardif Lux Vie is in line with BNP Paribas Cardif's timetable for phasing out thermal coal, published in 2020. It calls for a definitive exit from the sector by 2030 at the latest for European Union and OECD countries, and by 2040 at the latest for the rest of the world from directly-held corporate equity and bond portfolios.

In addition, as part of its climate alignment strategy, Cardif Lux Vie (via its parent company BNP Paribas Cardif) relies on reinforced monitoring of the two most emissive sectors in its portfolios (power generation and oil & gas).

C3. AN ESG ANALYSIS AND INTEGRATION PROCESS

For its investments, Cardif Lux Vie considers Environmental (E), Social (S) and Governance (G) issues. This analysis can be quantitative and/or qualitative. Cardif Lux Vie collects ESG data specific to each asset class, which is then analysed and integrated into the investment process. The investment universe is thus reduced and compatible with its approach as a responsible investor.

This ESG analysis and integration process is part of a continuous improvement process based on regulations, market practices and data availability (the ability of data providers to collect and analyse data).

The specifics of ESG analysis and integration for different asset classes are briefly summarized here.

Investments in sovereign and supranational securities

They are subject to a financial security system (country policy) defined at BNP Paribas Group level. States are then analysed with regard to their ESG¹ performance (e.g. energy mix, social policies, respect for human and labour rights) and may find themselves excluded from the investment scope.

This ESG filter is applied to securities issued by countries (government bonds) and securities issued by companies operating in these countries (equities and corporate bonds).

Investments in companies

For investments in companies (equities and bonds), ESG analysis comprises three main stages: application of exclusions and treatment of sensitive sectors, ESG analysis and integration, and application of a carbon transition filter.

Real estate investments

These investments are both direct (buildings, retirement homes) and indirect (through holdings in real estate investment trusts). At 31 December 2024, 58% of Cardif Lux Vie's real estate assets were ESG-compliant. These criteria are characterized by the achievement of one or more predefined ESG objectives: For example, on social and societal aspects, a range of retirement homes.

C4. COMMITMENTS TO REDUCE THE CARBON FOOTPRINT OF ITS PORTFOLIOS

To reinforce its commitment to the fight against global warming, Cardif Lux Vie (via its parent company BNP Paribas Cardif) has been committed since 2021 to aligning its investment portfolio with a trajectory of carbon neutrality by 2050. To this end, BNP Paribas Cardif has made specific commitments to the following 4 pillars:

- Measure the alignment of investment portfolios with the Paris Agreement and reduce their carbon footprint;
- Define decarbonization targets for the sectors with the highest greenhouse gas emissions;
- Expand climate transition investments;
- Engage in shareholder dialogue with companies and asset managers to steer them towards carbon neutrality.

D. SHAREHOLDER ENGAGEMENT POLICY

Shareholder engagement complements the previous actions to address adverse impacts. In accordance with the provisions of the European directive on shareholders' rights, Cardif Lux Vie's shareholder engagement policy and the annual report on its implementation are available on the Cardif Lux Vie website (<https://cardifluxvie.com/notre-responsabilite>).

The engagement strategy concerns corporate shares held directly by Cardif Lux Vie, representing 1.6% of its General Fund at the end of 2024.

As an institutional investor, Cardif Lux Vie pursues a long-term investment strategy. To achieve the desired performance, the investment strategy takes into account closely related financial and non-financial criteria.

Throughout the asset holding period, Cardif Lux Vie votes at the general meetings of listed companies in which it is a shareholder, and engages in dialogue with certain issuers on specific issues.

1- Notation ESG fournie par Moody's ESG <https://esg.moody's.io/solutions..>

Good corporate governance (the quality of its management, the independence of its supervisory bodies, the protection of its shareholders, the alignment of the interests of its various stakeholders) is a key criterion for Cardif Lux Vie's investments. By exercising their voting rights at shareholders' meetings, investors can express their views on the company's corporate governance. The main types of resolutions put to the vote can be grouped into five themes, most of which have a proven link with ESG:

- Approval of financial statements and corporate governance;
- Appointment of directors;
- Remuneration policy;
- Financial transactions and shareholders' rights;
- Other resolutions (e.g. regulated agreements, shareholder proposals).

In addition to shareholder leverage, Cardif Lux Vie maintains a dialogue with asset management companies. Before each investment, Cardif Lux Vie analyses the shareholder engagement policy to measure the integration of ESG criteria at fund level. For example, we ask whether the fund applies exclusions to several identified sensitive sectors.

E. REFERENCE TO INTERNATIONAL STANDARDS

Cardif Lux Vie includes social issues in its non-financial process, such as the measurement of government policies on poverty, access to employment, access to electricity, and ratification of treaties on labour rights and children's rights.

Through BNP Paribas Cardif, which is a member of the following international initiatives and bodies, Cardif Lux Vie relies on major international principles and treaties to qualitatively select its investments, helping to take the principal adverse impacts into account in its investment decisions.

International standards	Date	Description	Principal adverse impacts		
			Table 1	Table 2	Table 3
Net-Zero Asset Owner Alliance¹	2021	Aligning investment portfolios to a carbon-neutral trajectory by 2050.	PAI n° 1, 2, 3, 4, 5, 6, 15, 17, 18	PAI n° 4	
Initiative Climate Action 100+²	2021	A collective engagement with the world's largest emitters of greenhouse gases.	PAI n° 1, 2, 3, 4, 5, 6	PAI n° 4	
CDP (ex-Carbon Disclosure Pledge³)	2019	Environmental database on companies (greenhouse gas emissions, water management and impact on forests).	PAI n° 1, 2, 3, 4, 5, 6, 7, 8, 17	PAI n° 4	
Tobacco-Free Finance Pledge¹	2018	WHO initiative to address tobacco in the financial sector.	The nature of this international initiative does not allow it to be linked to a specific PAI.		
Sustainable Real Estate Observatory²	2017	Promoting sustainable development and innovation in the French real estate sector.	PAI n° 17, 18		
Principles for Responsible Investment³	2016	United Nations initiative to promote the integration of ESG criteria in the financial sector.	The nature of this international initiative does not allow it to be linked to specific PAI (holistic view of adverse impacts).		
Sustainable Building Plan⁴	2013	Charter for the energy efficiency of public and private tertiary buildings, initiated by the Sustainable Building Plan.	PAI n° 17, 18		

Cardif Lux Vie also complies with the internal Code of Conduct⁴ governing its activities. This code specifies that Cardif Lux Vie respects the highest standards of conduct and ethics, in terms of anti-corruption, respect for human rights and environmental protection.

1- <https://www.unepfi.org/net-zero-alliance/>

2- <https://www.climateaction100.org/>

3- <https://www.cdp.net/en>

4- https://cdn-group.bnpparibas.com/uploads/file/250417_bnpp_compliance_codeofconduct_fr_ok.pdf



CARDIF LUX VIE
BNP PARIBAS GROUP

The insurer
for a changing
world