

OPCI BNP PARIBAS DIVERSIPIERRE

2022 ANNUAL REPORT



INVESTMENT
MANAGEMENT



**BNP PARIBAS
REAL ESTATE**

Real Estate
for a changing
world

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Disclaimer: this is an English translation of the original document. In the event of any differences in translations or interpretations, the French version shall prevail and is authoritative.

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Disclaimer

This report is produced for information purposes. The document does not constitute an investment recommendation and is non-contractual. Please refer to the regulatory documents (prospectus, key information documents, information notes or detailed characteristics) before making any final investment decision.

Any investment involves risks, including a risk of capital loss. References to a prize/label do not prejudice the future results of the fund or the management company. Past performance is not an indicator of future performance. Investments made are not an indicator of future investments.



ADMINISTRATIVE AND MANAGERIAL BODIES

THE MANAGEMENT COMPANY

BNP PARIBAS REAL ESTATE INVESTMENT MANAGEMENT FRANCE

French SA with capital of EUR 4,309,200.

Headquarters: 50, cours de l'île Seguin – 92100 Boulogne-Billancourt, France.

RCS Nanterre N°300 794 278.

The portfolio management company is authorised by the AMF under no. GP-07000031 dated 1 July 2007.

BNP PARIBAS REIM FRANCE received its AIFM approval on 15 April 2014, as a portfolio management company under the AIFM directive 2011/61/UE.

The management company is a member of the two main professional associations, ASPIM and AFG.

EXECUTIVE BOARD



Sylvie PITTICCO
Deputy Chief Executive Officer
in charge of Financial & Corporate
Activities

Jean-Maxime JOUIS
Chief Executive Officer

Guillaume DELATTRE
Deputy Chief Executive Officer
in charge of Asset Management,
Investments & Disposals

SUPERVISORY BOARD

Chairman

- Frédéric JANBON

Vice-chairman

- Nathalie CHARLES, Deputy CEO, Global Head of Investment Management, BNP Paribas Real Estate

Members

- Guillaume BRATEAU, Business Development Director, BNP Paribas Banque Privée France
- Sylvie FOSSEUX-FREVILLE, Business Development Director, BNP Paribas
- CARDIF ASSURANCE VIE, represented by Nathalie ROBIN, Real Estate Director, BNP Paribas Cardif
- Claire ROBOREL DE CLIMENS, Global Head of Private and Alternative Investments, BNP Paribas Wealth Management

THE OPCl

BNP PARIBAS DIVERSIPIERRE

Open-ended collective investment Real Estate Fund (Organisme de Placement Collectif en Immobilier- OPCl) for the general public, open to non-professional investors

Investment company with variable capital investing mainly in Real Estate (Société de Placement à Prépondérance Immobilière à Capital Variable – SPPICAV) incorporated as a public limited company (Société Anonyme, SA) with a Board of Directors

Headquarters: 50, cours de l'île Seguin – 92100 Boulogne-Billancourt.

RCS registration number: 800 122 715 RCS Nanterre.

AMF APPROVAL: N° SPI20130020 dated 26 July 2013 – Prospectus updated 31 March 2023.

Code ISIN: FR0011513563.

The OPCl falls under Article 8 of Regulation (EU) 2019/2088 known as the SFDR of 27 November 2019 on sustainability related disclosures in the financial services sector. The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

On 30 November 2020, BNP Paribas Diversipierre obtained the «SRI label» applied to real estate (Afnor Certification N°2020/89188.1), which came into force on 23 July 2020.

More informations are available on the management company's website :

<https://reim.bnpparibas.com/en/investment-solutions/bnp-paribas-real-estate-diversipierre>



CHIEF EXECUTIVE OFFICER

- **BNP PARIBAS REIM France**, represented by Jean-Maxime JOUIS, permanent representative

BOARD OF DIRECTORS 31/12/2022

Chairman

- Jean-Maxime JOUIS

Members

- **CARDIF ASSURANCE VIE**, whose permanent representative is Nathalie ROBIN
- **CARDIMMO**, whose permanent representative is Alessandro DI CINO

STATUTORY AUDITOR

The SPPICAV BNP Paribas Diversipierre and its subsidiaries, SAS Diversipierre DVP1, SAS Issy Bords de Seine 2, SAS DVP HERON, SAS Le Magellan, SCI DVP Hoche, SAS DVP Green Clover, SAS DVP European Channel, SAS DVP Haussmann and SAS DVP Alpagnes 1950 entrusted the certification of their annual financial statements to KPMG SA – Tour Egho – 2, avenue Gambetta – 92066 Paris-La-Défense Cedex.

EXTERNAL VALUATION EXPERTS

The real estate appraisers of the BNP Paribas Diversipierre SPPICAV are Cushman & Wakefield Valuation France and CBRE Valuation France.

Cushman & Wakefield Valuation France has taken out professional civil liability insurance with Axa XL Insurance Company SE under policy number CSUSA2200169. CBRE Valuation France has taken out a civil liability insurance policy with AON under number PSDEF1700562.

DELEGATED FINANCIAL MANAGEMENT

BNP Paribas Asset Management manages the financial component of the BNP Paribas Diversipierre SPPICAV, as well as its liquid assets, with the exception of the current cash flow required for ongoing operations.

CUSTODIAN BANK

BNP PARIBAS S.A.

Headquarters: 16, boulevard des Italiens - 75009 Paris



CORPORATE GOVERNANCE REPORT

DATES OF BOARD MEETINGS DURING THE 2022 FINANCIAL YEAR

In 2022, the Board of Directors of the SPPICAV BNP Paribas Diversipierre met on 31 January, 1 March, 2 June, 26 October and 16 December.

EXECUTIVE MANAGEMENT

The Executive Management of the SPPICAV BNP Paribas Diversipierre is provided by the Management company, BNP Paribas REIM France, through a permanent representative appointed for this purpose.

Jean-Maxime JOUIS is the permanent representative of the management company within BNP Paribas Diversipierre.

LIST OF MANDATES AND POSITIONS

HELD IN ANY COMPANY BY EACH CORPORATE OFFICER DURING THE FINANCIAL YEAR

As of 31 December 2022, the SPPICAV BNP Paribas Diversipierre Board of Directors is composed of the following members:

Jean-Maxime JOUIS, Chairman of the Board of Directors, Director	
Chairman of the Executive Board	BNP PARIBAS REIM FRANCE (SA)
Chairman of the Board of Directors, Director	HEALTH PROPERTY FUND 1 (SPPICAV SA) BNP PARIBAS DIVERSIPIERRE (SPPICAV SA)
Permanent representative of DVP EUROPEAN CHANNEL, Director	THE HYPE (SA BELGIUM)
Independent member of the Strategic Committee	FREY POP (SA PORTUGAL)
Independent member of the Advisory Committee	CONCEPTO (ITALIAN AIF)
Independent member of the Supervisory Board	HEALTH PROPERTY FUND 2 (SPPICAV SAS)
Permanent representative of BNP PARIBAS REIM FRANCE, Management company and managing Director	TECHNICAL PROPERTY FUND 2 (SPPICAV SA) BNP PARIBAS DIVERSIPIERRE (SPPICAV SA)
Permanent representative of BNP PARIBAS REIM FRANCE, Management company and Liquidator	HEALTH PROPERTY FUND 1 (SPPICAV SA with Board of Directors) RESIDENTIAL PROPERTY FUND 1 (SPPICAV SAS) SHOPPING PROPERTY FUND 2 (SPPICAV SAS)
Permanent representative of BNP PARIBAS REIM France, Management company and President	C SANTÉ (SPPICAV SAS) DELTA LOISIRS EVASION (SPPICAV SAS) FRANCE I (SPPICAV SAS) HEALTH PROPERTY FUND 2 (SPPICAV SAS) K MONTIGNY (SPPICAV SAS) NEIF II FRANCE (SPPICAV SAS) PARIS ESTATE PORTOFOLIO (SPPICAV SAS) PLEIN AIR PROPERTY FUND 1 (SPPICAV SAS) REAL ESTATE ACCESS FUND (SPPICAV SAS) SHOPPING PROPERTY FUND 3 (SPPICAV SAS) VREF FRENCH REAL ESTATE (SPPICAV SAS)

N.B.: The management company BNP PARIBAS REIM FRANCE was represented by Sigrid DUHAMEL, acting as Chairman and member of the Executive Board of BNP PARIBAS REIM France, until 7 December 2022.

During the financial year ending 31 December 2022, Sigrid DUHAMEL held the following positions:

Chairman of the Board of Directors Administrator	BNP DIVERSIPIERRE (SPPICAV SA with Board of Directors) TECHNICAL PROPERTY FUND 2 (SPPICAV SA) until 24 November 2022;
Independent Director and member of the Audit Committee	CONSTRUCTIONS INDUSTRIELLES DE LA MEDITERRANEE CNIM (SA with Board of Directors), until 20 January 2022 COVIVIO – FDR (SA with Board of Directors), until 20 April 2022
Vice-Chairman of the Board of Directors Administrator	BNP Paribas Real Estate Investment Management Italy SPA (SA), until 24 November 2022



Permanent representative of BNP PARIBAS REIM France, Management company and CEO	HEALTH PROPERTY FUND 1 (SPPPICAV SA with Board of Directors) BNP PARIBAS DIVERSIPIERRE (SPPICAV SA with Board of Directors), until 7 December 2022
Permanent representative of BNP PARIBAS REIM France Management company, President	C SANTÉ (SPPPICAV SAS), DELTA LOISIRS EVASION (SPPPICAV SAS), FRANCE I (SPPPICAV SAS), HEALTH PROPERTY FUND 2 (SPPPICAV SAS), K MONTIGNY (SPPPICAV SAS), NEIF II FRANCE (SPPPICAV SAS), PARIS ESTATE PORTOFOLIO (SPPPICAV SAS), PLEIN AIR PROPERTY FUND 1 (SPPPICAV SAS), RESIDENTIAL PROPERTY FUND 1 (SPPPICAV SAS), SHOPPING PROPERTY FUND 2 (SPPPICAV SAS), SHOPPING PROPERTY FUND 3 (SPPPICAV SAS), VREF FRENCH REAL ESTATE (SPPPICAV SAS) until 7 December 2022
Permanent representative of BNP PARIBAS REIM France Manager	PFA FRENCH REAL ESTATE COMMERCIAL LOW SCI (SCI), until 7 December 2022.

Nathalie ROBIN, permanent representative of CARDIF ASSURANCE VIE, Director	
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	BNP PARIBAS REAL ESTATE INVESTISSEMENT MANAGEMENT France (SA with Executive Board and Supervisory Board)
Member of the Advisory Board	FONDS DE LOGEMENT INTERMÉDIAIRE II (FLI II) (SPPPICAV SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	ACCÈS VALEUR PIERRE (SCPI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	AEW IMMOCOMMERCIAL (SPPICAV SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	CARMILA (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Strategic Investment Committee (Chairman)	CARMILA (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the CSR Committee	CARMILA (SA)
Representative of CARDIF ASSURANCE VIE Member of the Supervisory Committee	CERTIVIA 2 (SICAV)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	CFH (SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	COVIVIO HOTELS SCA (previously Foncière des Murs (SCA))
Permanent representative of CARDIF ASSURANCE VIE Member of the Audit Committee	COVIVIO HOTELS SCA (previously Foncière des Murs (SCA))
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	COVIVIO IMMOBILIER (SE)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	DAUCHEZ (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	FLI (SCI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	FREY (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Investment Committee	FREY (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Audit Committee	FREY (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Committee	HEMISPHERE HOLDING (SCI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	ICADE HEALTHCARE EUROPE (SPPPICAV SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	OPÉRA RENDEMENT (SCPI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	PLACEMENT CILOGER 3 (SCPI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	POWERHOUSE HABITAT (SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Committee	PREIM HEALTHCARE (SAS)
Member of the Investment Committee	PRIMONIAL CAPIMMO (SCI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Committee	PWH (SPPPICAV SAS)
Permanent representative of CARDIF ASSURANCE VIE Member of the Board of Directors	HIGH STREET RETAIL (SPPICAV SAS)

Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	KORIAN & PARTENAIRES IMMOBILIER 1 (SCI)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	KORIAN & PARTENAIRES IMMOBILIER 2 (SAS)
Member of the Advisory Board	HESTIA HOLDING (SPPICAV SAS)
Member of the Shareholders' Committee	SECAR (Société Civile pour l'Étude et l'Aménagement du Centre d'Affaires Régional de Rungis)
Member of the Investment Board	BATIPART PARTICIPATIONS
Member of the Fund's Committee	HAB'INITIO (SLP)

Alessandro DI CINO, permanent representative of CARDIMMO, Director

Permanent representative of CARDIF ASSURANCE VIE Director	ICADE SANTÉ (SA)
Permanent representative of CARDIF ASSURANCE VIE Member of the Supervisory Board	PRIMONIAL CAPIMMO (SCI)
Permanent Representative of CARDIMMO Member of the Supervisory Board	OPUS REAL (SCPI)
Permanent representative of CARDIF ASSURANCE RISQUES DIVERS Member of the Supervisory Board	OPÉRA RENDEMENT (SCPI)
Permanent representative of BNP PARIBAS CARDIF, Member of the Supervisory Board of CFH	CFH (SA)
Permanent Representative of BNP Paribas REIM Luxembourg Member of the Advisory Board	FLI 2 (OPPCI)

REGULATED AGREEMENTS

No regulated agreement was entered into by BNP Paribas Diversipierre during the 2022 financial year.

SUMMARY OF CURRENT DELEGATIONS

In 2022, no delegation of authority was granted by the General Meeting of Shareholders for capital increases, pursuant to Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code.



Editorial

Alexis Robert,
Fund Manager
BNP Paribas Diversipierre



2022 year has been marked by an exceptional geopolitical and economic context in Europe, negatively affecting the 3 markets invested by your OPCI: real estate physical assets, shares of listed REITs and covered bonds. The macroeconomic environment was characterized by the rise in interest rates, the magnitude and speed of which are unprecedented, and the prospect of recession, although moderated, in Europe. The combination of these two trends is theoretically impossible from an economic point of view. European markets, already largely affected by the health crisis, have seen the arrival of a war on the continent, significantly increasing volatility and uncertainty around economic forecasts, even in the short term. In this context, your OPCI posted a performance of -5.1% (dividends reinvested) in 2022.

While rising interest rates are putting downward pressure on asset valuation in Europe, the good performance of real estate physical assets of your OPCI (+0.7%) is noteworthy. Over the long term, the real estate physical portfolio generates a strong annualized performance of +4.6% over the last 8 years. During 2022, your OPCI has carried out emblematic operations, with in particular the acquisition of the thermal baths of San Pellegrino in Italy or the sale of the headquarters of the consulting firm Deloitte in Milan, also in Italy. These transactions contribute to strengthen the quality of the fund's portfolio and its performance outlook for the coming years.

The current situation is a source of opportunity. Your OPCI holds high quality real estate assets, which could benefit from the growth in rents in Europe, driven by inflation. In addition, the shares of listed REITs held present a rebound potential, since they show a high discount level. Thus, your Management company is convinced of the outperformance potential of BNP Paribas Diversipierre over the next few years.



THE OPCI IN BRIEF

AS OF 31 DECEMBER 2022



€117.49

NET ASSET VALUE PER SHARE

€2.60 billion

NET ASSET VALUE (NAV)

36*

NUMBER OF ASSETS

* Including 26 fully owned and 2 non-controlling interests.

€2.15 billion

MARKET VALUE OF PROPERTY ASSETS

95.1%**

FINANCIAL OCCUPANCY RATE

** The financial occupancy rate does not include the asset 51-53, boulevard Haussman, entirely vacant for which a heavy restructuring carried out.

20.2%

DEBT (LTV)

€1.82

DIVIDEND PER SHARE PAID IN 2022

+3.08%

ANNUALISED PERFORMANCE SINCE 31/12/2014
DIVIDENDS REINVESTED

* As the last business day of 2022 was 30 December, the last net asset value per share of the OPCI was as of 30 December 2022. All comments management framework below are therefore based on this date and not on 31 December 2022.



CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF OUR COMMITMENTS

TACKLING THE ENERGY CRISIS CHALLENGE

Since 2022, European countries have been disrupted by the largest surge in energy costs over the past 40 years. Inflation occurring after the COVID-19 pandemic has been exacerbated by geopolitical issues related to the conflict between Russia and Ukraine.

In this context, European countries took measures to prepare themselves to face the winter season 2022-23 and reduce energy consumption and costs related to real estate. For instance, some countries have banned shops and companies from using lighting after a certain hour at night, or have encouraged them to implement a sobriety energy plan to reduce their energy consumption.

As investment managers, we have proactively tackled this challenging situation, focusing on three main angles:

- Analyzing the intricate public measures across the relevant European jurisdiction;
- Evaluating the impacts of potential energy shortages and preparing operating plans for degraded scenarios, such as, in

France, an obligation to reduce energy use during 'orange days' or to temporary cut energy consumption during 'red days', as per the French Ecowatt system. This evaluation has been done in close collaboration with Property Managers (and has been communicated to tenants) in order to ensure that identified measures may be quickly implemented if necessary;

- Evaluating cost impacts on our business and on our tenants' and monitoring the financial soundness of the tenant base. All operating budgets were reviewed and updated to adjust energy costs for common areas and equipment. The objective is to ensure we continually monitor how the property managers are optimizing the energy contracts and service charges budgets. Our Asset Management teams paid special attention to tenants for whom the risk of potential default or unpaid or delayed rent was important.

Overall, our teams are on hand to track the situation and implement appropriate measures on a case-by-case basis.

ESG OVERVIEW

"The evidence is unequivocal that there is no more time to waste – to prevent an environmental disaster, the only answer is to make drastic cuts in carbon emissions".

In its Sixth Assessment Report, published in 2022, the Intergovernmental Panel on Climate Change (IPCC) delivered this alarming message on the role of human influence on climate change. Its stark warning: if we are to limit global warming to 1.5° or 2° above pre-industrial levels, we need to do much more, and act now*.

As a leading responsible asset manager, BNP Paribas REIM is acutely aware of the role we play in accelerating the decarbonization of the European real estate industry, as well as driving other environmental, social and corporate governance (ESG) issues. ESG is one of the five strategic pillars of our business, and our ambitious ESG action plan has been designed to drive sustainable, long-term performance across our funds.

To meet our ambitious goals, we track and monitor ESG performance both at asset and fund level. We use our expansive European expertise to monitor national regulations as they evolve, and comply with European regulation frameworks including the Sustainable Finance Disclosure Regulation (SFDR) and the European Taxonomy Regulation. All our funds are categorized according to their ESG profile, and whether they fall under SFDR Article 6, 8 or 9.

Concretely, this means that they segment funds between those that do not have a sustainability objective (Article 6), those that promote the environmental or social characteristics of investments (Article 8) and those that have a sustainable investment objective with a positive environmental or social impact (Article 9).

Our action plan for each fund focuses on three simple objectives, supported by key performance indicators (KPIs):

- **We work to improve environmental performance**, with 5 KPIs to monitor energy data collection, improve energy efficiency and put in place certifications and assessments (HQE, BREEAM In-Use, etc.);
- **We manage assets responsibly**, with 4 KPIs to improve tenants' comfort, encourage sustainable mobility, promote waste sorting and ensure accessibility;
- **We boost stakeholder awareness**, with 4 KPIs focusing on environmental and social initiatives with property managers and tenants.

In 2022, BNP Paribas REIM's efforts saw us not only meet, but surpass our ESG objectives. At the end of 2022, 85% of our funds open to all investors were categorized as "sustainable," meaning they will fall under SFDR Article 8 or 9, surpassing our initial target of 70% by 2022. This ambitious commitment is also demonstrated by the obtention of a label for each of these funds: SRI Label or Finansol Label.

By 2025, more than 80% of our global assets under management, with no distinction, will fall under SFDR Article 8 or 9.

We are working to fulfil this goal through various actions especially:

- The collection and assessment of energy consumption data from our assets;
- The participation of some funds to the Global Real Estate Sustainability Benchmark (GRESB) to evaluate and compare ESG data and performance; and
- The obtention of the French SRI (socially responsible investment) label for five of our funds.

*https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_FullReport.pdf



RESPONSIBLE GOVERNANCE

BNP Paribas REIM also drives sustainability through our engagement with external and internal stakeholders. In addition to initiatives such as our tenant survey and tenant working groups to boost sustainability at an asset level, we participate in industry working groups to promote the implementation of best practices.

We are part of the European Association for Investors in Non-Listed Real Estate (INREV), signatories to the UN's Principles for Responsible Investment (PRI) and support the expansion of the Observatory of Sustainable Real Estate (OID) across Europe. We also collaborate with different entities of the BNP Paribas Group to ensure our regulatory compliance and application of best practice.

In 2022, we built on our strong focus on employee engagement. We increased our dedicated ESG training for fund managers, asset managers and sales teams to ensure they had sufficient

and appropriate tools to manage new and sophisticated ESG challenges. We also ran more Lunch and Learn sessions on ESG, where employees in all countries learn about and can ask questions on a given topic. In 2022, we have set up a collaboration with a young company Ma Petite Planète, offering app-based daily ecological and sustainable development challenges. During three weeks, employees undertook ecological challenges such as biking to the office. These raised employees' awareness on a range of environmental issues.

We take our responsibility in the climate crisis and other ESG issues seriously. We have begun a workstream to investigate climate risk, both in our portfolio and at the acquisition stage. We are working to understand our liabilities, and to mitigate risk or implement change to adapt to the challenges of today and tomorrow.

Thematic areas	Energy performance	Greenhouse gas emissions	Supply chain	Mobility		Occupant comfort	Resilience	Tenant engagement	Pollution
Description	Average consumption per sqm, weighted by the surface area of each asset	Average emissions per sqm weighted by the surface area of each asset	Percentage of property manager contracts that include ESG clauses	Distance to public transportation (less than 500 metres from a rail network)	Electric vehicle charging stations available to tenants	Accessibility for people with disabilities of assets	Resilience audit	Tenant engagement on ESG issues	Assets with no asbestos-related risks
Unit	kWhEF/sqm/yr	kg CO ₂ eq/sqm	% of number of contracts	% of total assets	% of total assets	% of total assets	% of total assets	% of total number of tenants	% of total assets

BNP PARIBAS DIVERSIPERRE	163.33	19.74	61%	70%	26%	74%	83%	48%	13%
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Outperformance indicators of the fund

Benchmark value* :
32 kgCO₂eq/sqm

Benchmark value** :
21,6% of assets

Top 5 assets by value

Deichtor	242.28	65.36	NO	YES	NO	YES	YES	NO	NO
51-53 bd Haussmann	157.25	8.71	NA	YES	NO	YES	NO	NA	NA
Héron Parc	167.78	9.61	NO	NO	YES	YES	YES	NO	NO
EP1 – Grands Moulins	153.00	8.71	YES	YES	YES	YES	YES	YES	YES
Avenue Hoche	192.76	9.78	YES	YES	NO	NO	YES	YES	YES

5 best performing assets

Karré 1	82.54	4.57	YES	YES	NO	YES	YES	YES	YES
Visalto	114.59	6.52	YES	YES	NO	YES	YES	YES	YES
Le Tribeca	137.84	7.64	NA	NA	NA	NA	NA	NA	NA
Horizon	61.28	19.21	NO	YES	YES	YES	YES	NO	NO
Le Sextant	104.83	5.81	YES	YES	YES	YES	YES	YES	YES

5 worst performing assets

51-53 bd Haussmann	157.25	8.71	NA	YES	NO	YES	NO	NA	NA
Montrouge Camille Pelletan	118.01	17.70	YES	NO	NO	NO	YES	NO	NO
Paris 2 ^{ème} Rue Vivienne	155.89	15.62	YES	YES	NO	NO	YES	YES	YES
Luxembourg 56 Grand Rue	110.00	25.35	YES	YES	NO	NO	YES	NO	NO
The One	225.78	56.02	NO	NO	NO	YES	YES	YES	YES

* Source : Deepki ESG Index, average value for office real estate assets in Europe <https://index-esg.com/>

** Source : Resilience audit, compared to the panel of funds' assets in accordance with SFDR Articles 8 and 9 as of 31/12/2022

DETAIL OF ESG ASSESSMENT BY ASSET (ASSET RATING AS OF 31/12/2022)

Asset	Initial (2020)	Year 2 (2022)
Avenue Hoche	41	48
Montrouge – Camille Pelletan	23	29
Héron Parc	37	47
Le Magellan	33	46
Visalto	56	69
Paris 2 ^{ème} Rue Vivienne	22	32
EP1 – Axeo	47	60
Ibis Munich East	34	46
Ibis Munich South	35	46
Luxembourg – 56 Grand Rue	28	38
Horizon	70	67

Asset	Initial (2020)	Year 2 (2022)
Karré 1	75	78
Francfort Schwedler Carré	48	48
Le Sextant	57	61
The One	36	41
EP1 – Arcueil 1	47	50
Deichtor	47	52
EP1 – Grands Moulins	50	59
EP1 – Châtillon 2	51	57
The Hype	40	48
51-53 bd Haussmann	22	27
Tribeca	72	67
Paris 16 ^{ème} – rue Leroux	36	52





Club Med of La Rosière - Montvalezan - France

MARKET OVERVIEW

THE ECONOMIC CLIMATE

Macroeconomically, Europe has been hit by an inflationary shock, an energy crisis and monetary tightening. These factors may well dampen economic activity in France and Europe. However, the extent of the recession should be limited, with a cumulative decline in Eurozone GDP of 1.1% between Q4 2022 and Q2 2023, thanks to fiscal support measures and a labour market that remains robust.

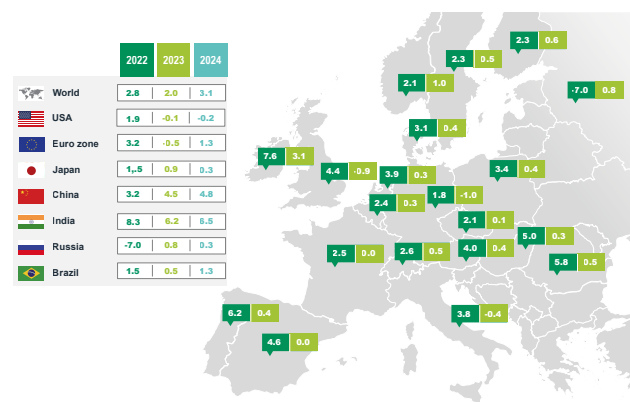
Average annual GDP growth in the euro area is estimated at 3.4% in 2022 and 0.2% in 2023.

Inflation is expected to remain high, significantly above the 2% target in 2023, before returning to the target level by end 2024. Monetary policy is expected to remain restrictive in this context.

€253

billion invested in commercial real estate in Europe in 2022.

GDP GROWTH



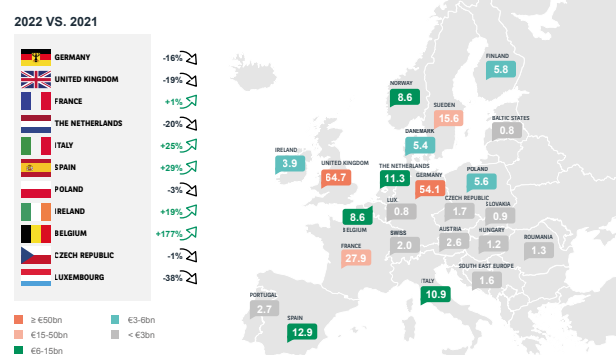
Source: BNP Paribas Real Estate Research

THE REAL ESTATE INVESTMENT MARKET IN EUROPE

INVESTMENT VOLUMES

- There was €248bn invested in commercial real estate in Europe in 2022, representing a year-on-year decline of -14%;
- Although Q4 is traditionally the busiest quarter, the exceptional economic and financial circumstances (rising interest rates, inflation, end of quantitative easing) hampered activity, even though Q3 came in higher than the previous year;
- A general decline of between -10% and -20% is expected in 2023 depending on the country;
- The swift rise in bond yields has automatically led to an adjustment in real estate yields, ranging from +25 bps to +50 bps for prime office yields, for example;
- This upward trend should continue to be reflected in the figures for end-2022 and early 2023. Although the readjustment seems abrupt, it is not expected to last for long;
- In this turbulent context, we believe the most efficient strategy is to analyse the factors that will shape real estate over the long term;
- Alternative asset classes (education, data centres, leisure space) are expected to attract increasing amounts of capital, as should investments with a positive social impact.

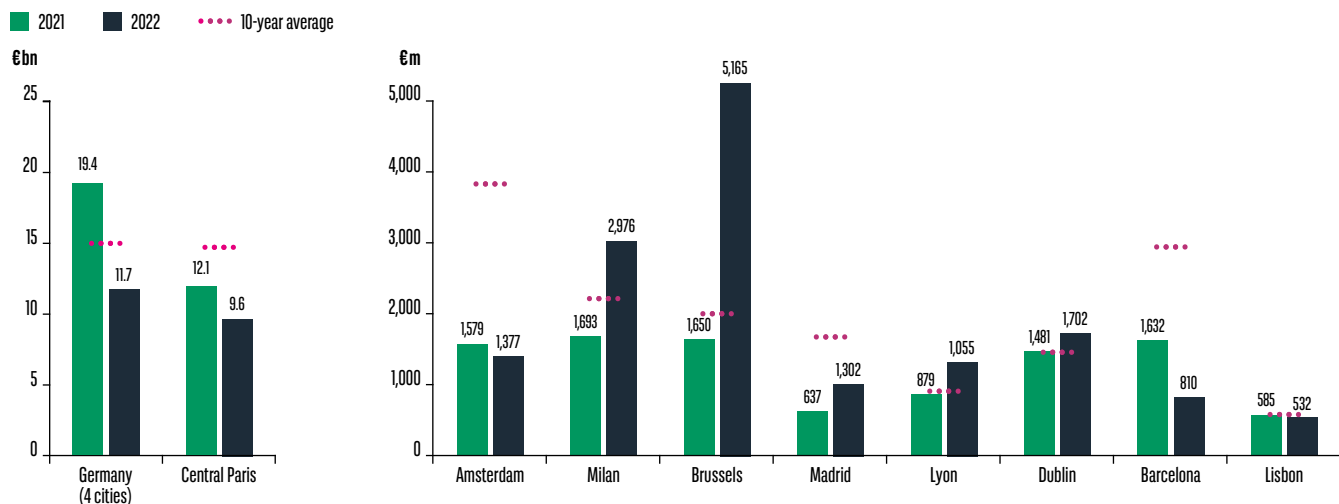
OFFICE INVESTMENT BY CITY



Source: BNP Paribas Real Estate

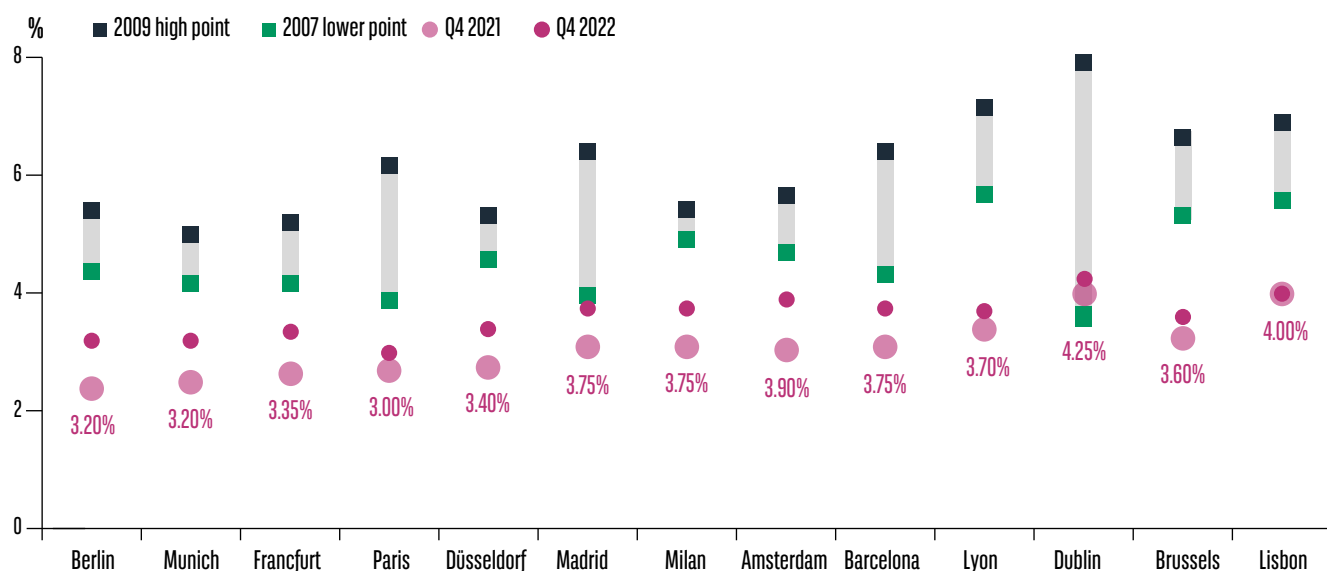


INVESTMENT VOLUMES IN OFFICE PROPERTIES BY CITY



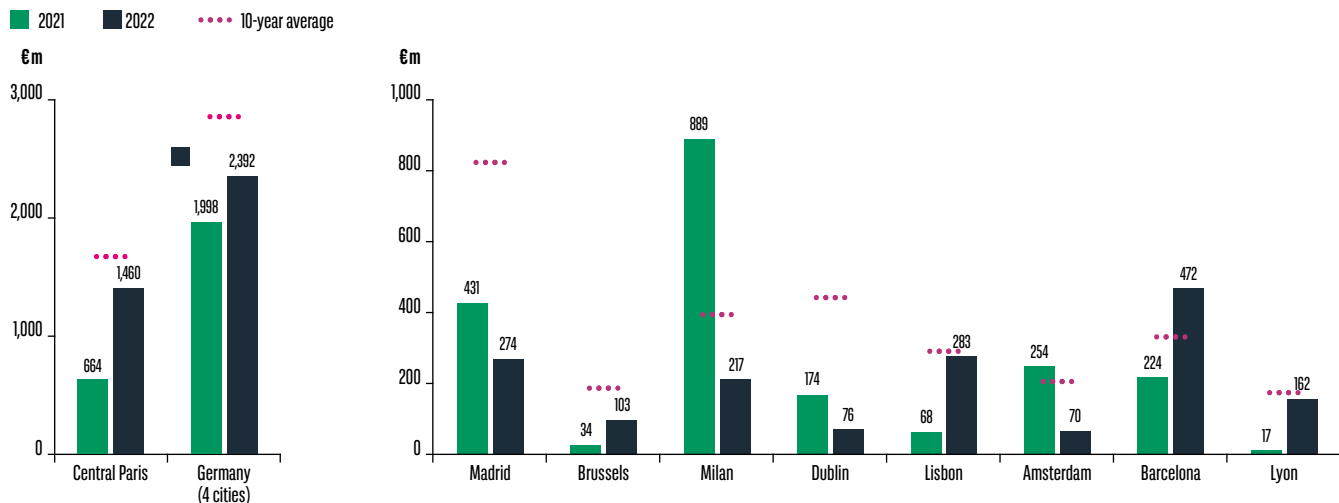
Source: BNP Paribas Real Estate

PRIME OFFICE YIELDS BY CITY



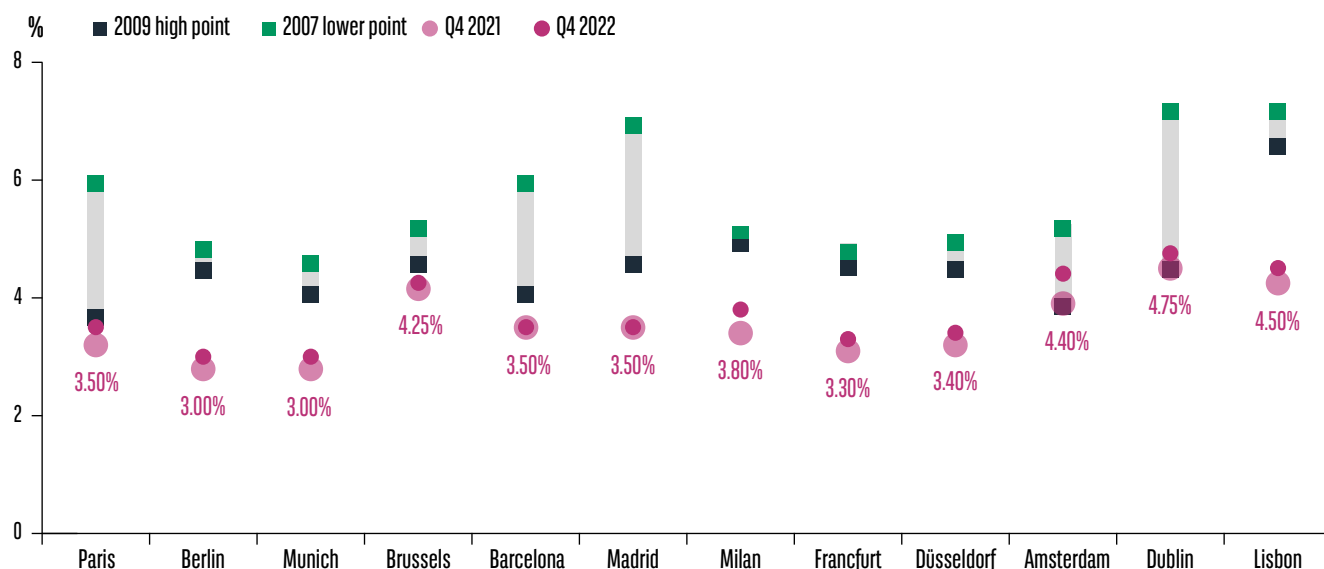
Source: BNP Paribas Real Estate

INVESTMENT VOLUMES IN RETAIL PROPERTIES BY CITY



Source: BNP Paribas Real Estate

PRIME RETAIL YIELDS BY CITY



Source: BNP Paribas Real Estate

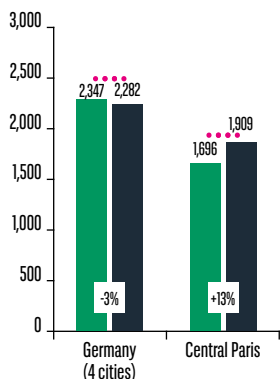
- Investment in commercial real estate in France came in at €27.9bn in 2022, in keeping with 2021 (+0.7%), and slightly below the 10-year average (-4%).
- Unsurprisingly, office investment was dominated by Île-de-France (€10.3bn in 2022 and 74.4% of the French total). Investment in the regions was primarily in the Lyon area, at €1.12bn, followed by Aix-Marseille (€0.47bn), and Lille (€0.45bn).
- There was also a decline in investment in logistics (-13% vs. 2021), while the other asset classes enjoyed more pronounced increases: +76% in retail, +16% in industrial premises and +47% in services (mainly the hotel sector).
- All prime yields had increased by the end of 2022. Offices were up 30 bps to 3.0% and a 30 bps increase was also seen for retail, rising from 3.20% to 3.50%. There was significant yield expansion in logistics, up 40 bps to 3.80%.
- Investment in commercial real estate in Germany fell by 16% in 2022, to €54.1bn. The German market is the second largest in Europe after the UK (€64.7bn). Office investment in the six largest markets (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg and Munich) fell by -34% year-on-year to €15.8bn. Berlin was in pole position with €3.8bn invested, followed by Frankfurt and Hamburg (€3.3bn), Munich (€2.5bn), Düsseldorf (€2.2bn) and Cologne (€740m). Investment in retail (€9.4bn) rebounded in 2022 (+7% vs 2021). Prime office yields automatically expanded in 2022 given the market backdrop, reaching 3.20% in Berlin (+80 bps), 3.20% in Cologne (+60 bps), 3.40% in Düsseldorf (+65 bps), 3.35% in Frankfurt (+70 bps), 3.30% in Hamburg (+75 bps) and 3.20% in Munich (+70 bps). Prime yields for retail were 3.0% in Berlin (+20 bps), 3.45% in Cologne (+15 bps), 3.40% in Düsseldorf (+20 bps), 3.30% in Frankfurt (+20 bps), 3.15% in Hamburg (+15 bps) and 3.0% in Munich (+20 bps).
- Office investment in Madrid came in at an impressive €1.3bn (+104%). Investment in retail was €274m (-36%). The prime office yield rose to 3.75% (-65 bps), while retail was flat at 3.50%.
- Commercial real estate investment in Barcelona reverted to normal (-50% to €810m) after the exceptional performance of 2021. Retail investment was at its second highest ever, up 111% to €472m. Prime yields in Barcelona remained similar to those in Madrid in 2022.
- Investment in offices in Milan in 2022 reached its second highest ever after 2019 (€3.8bn) at €3.0bn. Investment in retail fell by -76% to €217m. Prime office and retail yields surged by respectively +65 bps and +40 bps to 3.75% and 4.40%.
- Office investment in Dublin was strong, up 15% in 2022 to €1.7bn. Retail investment fell by 57% to €76m. Prime yields at the end of 2022 stood at 4.25% for offices (+25 bps) and 4.75% for retail (+25 bps).
- Office investment in Amsterdam fell by -14%, to just under €1.4bn. The decline in the retail segment was more dramatic, plummeting -72% to €70m. The prime yield for offices rose from 3.05% to 3.90%, while for retail it expanded by 50 bps (4.40%).
- 2022 was a record year for office investment in Brussels, peaking at €5.2bn (+213%). The growth was just as spectacular for retail (+207%), but with a much lower figure (€104m). The prime office yield rose to 3.60% (+45 bps) at the end of 2022. For retail the prime yield expanded to 4.25%.
- Office investment in Lisbon contracted by -16% in 2022 (€532m). However, there was a strong rebound in retail investment (+318%) to €283m. The prime office yield remained stable at 4.0% while the prime retail yield increased by +25 bps to 4.50%.

REAL ESTATE RENTAL MARKET IN EUROPE

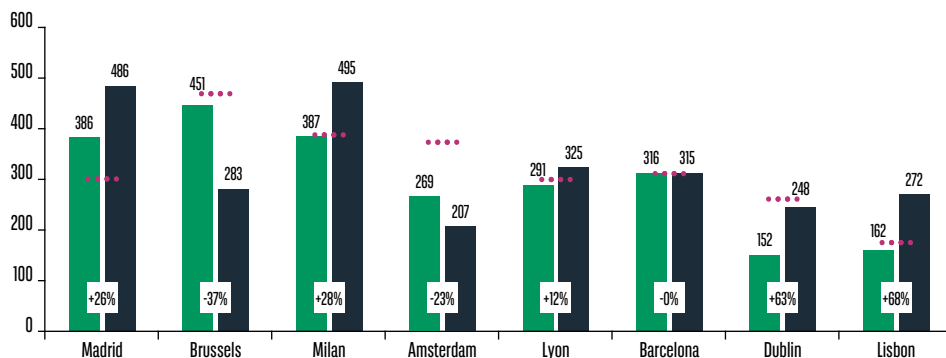
OFFICE TAKE-UP IN EUROPE

■ 2021 ■ 2022 9-year average

Thousand sqm



Thousand sqm



Source: BNP Paribas Real Estate

PRIME OFFICE RENTS IN EUROPE

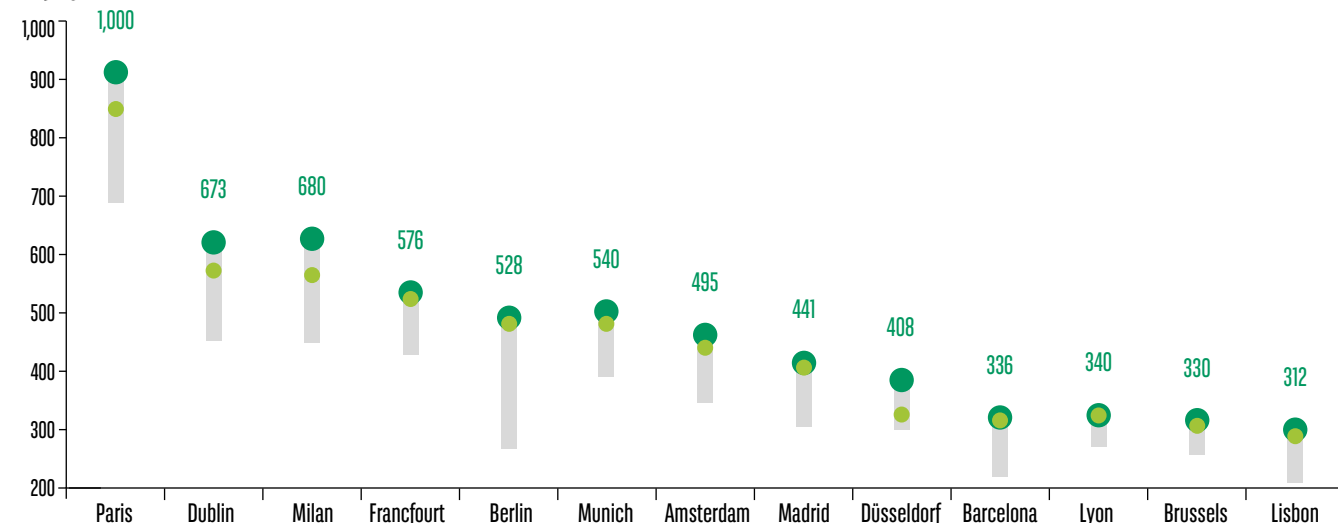
€/sqm/year

● 2022

● 2021

Min (last 8 years)

Max (last 8 years)



Source: BNP Paribas Real Estate



THE OFFICE PROPERTY MARKET

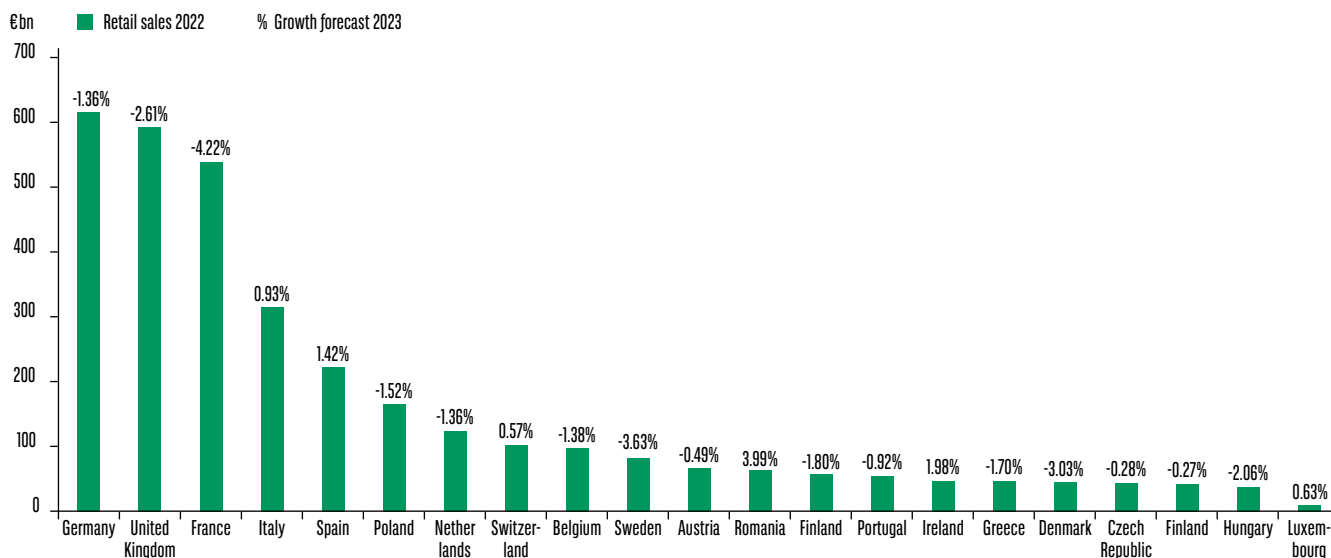
- Take-up in 2022 was above its 10-year average in most of the 31 markets that we cover. With a combined total of 9.8 million sqm taken up, this represented an increase of +12% compared to 2021. However, we expect a consolidation in 2023 at around -10% vs 2022. The vacancy rate across Europe remained stable over the year at just under 7.1%, similar to the year-earlier figure. Among the most sought-after business districts in Europe, Paris CBD and the German cities are still significantly undersupplied amid continued strong demand.
- Rental activity in the 6 major German markets remained stable (+0.35%) in 2022, amounting to 3.17 million sqm. Berlin remains the leading German market, with take-up of 773,000 sqm. Berlin still had the lowest vacancy rate in Europe (3.2%) at the end of 2022. Prime rents increased or were stable in the major German markets at the end of 2022, at €528/sqm/year in Berlin, €408/sqm/year in Düsseldorf, €540/sqm/year in Munich and €576/sqm/year in Frankfurt.
- Take-up in Île-de-France in 2022 exceeded the 2 million sqm threshold for the first time since 2019. The market grew by 10% over the year, to 2,108,000 sqm. Nearly all districts in the Île-de-France region saw an increase in the amount of space leased. For example, La Défense performed well (+6% to 218,600 sqm), well above its ten-year average (180,300 sqm). The momentum was mainly driven by Paris Inner City, which accounted for 47% of take-up in IDF over the first 10 months, compared with an average of 40% over 5 years. There was a slight increase in the average vacancy rate in Île-de-France to 7.5% at the end of the

year. Prime rents rose in Paris (€1,000/sqm/year) and returned to high levels for prime offices in the suburbs, although the risk of renegotiation is high.

- With the economic situation severely affected by the war in Ukraine, rising inflation and borrowing costs, take-up in the regions was almost 1.9 million sqm, representing an increase of 5% year-on-year, close to the all-time record of 2019, and well above the ten-year average (+22%). Lyon was still the leader with take-up of almost 325,000 sqm, followed by Lille. Interestingly, all cities (except Orléans, Tours and Rouen), outperformed all their ten-year averages. Prime rents continue to rise in this buoyant market.
- The Milan office market flourished, with take-up of 494,700 sqm (+28%). Vacancy in the Milan CBD remained at a very low 3.6%, compared with 10.6% for the city as a whole as of 1 January 2023. Against this backdrop of low office supply in the most sought-after districts of Milan, prime rents have increased by €10/sqm/year to €680/sqm in the Duomo CBD.
- Take-up in Luxembourg came in at 206,800 sqm in 2022, up 23% year-on-year. Office supply remains very limited in Luxembourg, with a vacancy rate of 3.5% at the end of 2022 compared to 3.9% at the end of 2021. The shortage of supply is much more acute in some districts (CBD, Kirchberg, Station), with a vacancy rate of around 2%. In this context, the prime rent has remained stable at €660/sqm/year.

THE RETAIL MARKET

RETAIL SALES 2022 (GROWTH FORECAST 2023)



Source: Oxford Economics

- Germany, the UK and France are the three biggest countries for retail in Europe, with at least €500bn in retail sales each. Following the inflationary surge in 2022, retail sales are expected to decline in almost all EU countries in 2023.
- In France, cumulative retail sales in the twelve months to 1 October 2022 were +9.9% higher than the year before. The Restaurant sector continued to recover after the very difficult years of 2020 and 2021. According to Food Service Vision, an economic intelligence leader in the catering sector, sales for the

full year 2022 were up by 3% compared to 2019, thanks to price hikes in recent quarters. We note that corporate consumption (business trips, trade fairs, conferences, events, etc.) has picked up again strongly since the autumn. E-commerce sales came in at €104.1bn over the first three quarters, according to FEVAD, representing an increase of 13% year-on-year. Online tourism and travel sales were particularly strong in the summer (+39% in Q3 2022 vs. Q3 2021), driven by the return of the possibility to travel and the increase in the average transaction given the inflationary context.



THE HOTEL MARKET

- According to the International Air Transport Association (IATA), the recovery in air travel continued in 2022, representing 68.5% of the pre-pandemic traffic level worldwide. For Europe, the international passenger market jumped by +132.2% compared to 2021.
- By 2022, RevPar had returned to pre-crisis levels, with a +7.0% increase vs. 2019. Although the backdrop calls for a cautious approach to the figures, the hotel sector confirmed its positive momentum in 2022. Some doubts linger over the coming months with continued high inflation, increased incompressible costs and the absence of Russian customers. These healthy results are partly thanks to the recovery in leisure tourism. Provided that the geopolitical situation and its economic ramifications improve, this upward trend could continue over the next few months with the return of business customers and many events, such as the Rugby World Cup. Although the fifth epidemic wave at the end of 2021 is once again worrying the hotel industry, early information on how dangerous it is suggests that the sector will be more resistant this time around. There has been a significant overall increase in prices across all segments, thanks to the improved environment and despite the absence of some international tourists.
- Upscale and luxury hotels recovered well over 2022, with RevPar up 138.2% year-on-year. Despite the lack of customers in this segment (-7.5 points in occupancy rate compared to 2019), the average price rose the most of all categories (+24.8%). The regions performed well in 2022 with a higher RevPar than in 2019 (+6.5%), thanks to the increase in the average price (+12.5% vs 2021 and +11.8% vs 2019). Most cities enjoyed these strong figures, and particularly Nice, Marseille and Strasbourg. Some cities are still behind their 2019 levels, but have improved significantly compared to 2021 (Toulouse +61.4%, Bordeaux +51.5%, Nantes +44.5%), largely thanks to the rise in average price. However, the Île-de-France region is still a laggard with RevPar down 5.3% vs 2019. This is partly due to occupancy remaining below that of 2019 (-8.6 points). Nevertheless, there was a significant increase compared to 2021, with occupancy up by 26.1 points year-on-year.
- There were 12,217 hotels in Germany in 2021, according to Destatis, the German national statistics institute. RevPAR for the year 2022 was €52.3. The occupancy rate was 54% and the average price was €96.1 in 2022. Investment in hotels in Germany in 2022 was the lowest since 2013, at €1.9 billion.

2022 MANAGEMENT REPORT

OPCI PRESENTATION

BNP Paribas Diversipierre is an open-ended collective investment real estate fund (Organisme de Placement Collectif en Immobilier "OPCI") open to non-professional investors, certified by the AMF on 26 July 2013 under number SPI201030020.

It was incorporated on 20 January 2014 for a 99-year term with effect from the date of its registration to the French Trade and Companies Register. It is an Investment company with variable capital investing mainly in real estate (Société de Placement

à Prépondérance Immobilière à Capital Variable, "SPICAV") incorporated as a public limited company (Société Anonyme, "SA").

BNP Paribas Diversipierre is a holding company which:

- **Directly holds a portfolio of transferable securities** (shares of listed companies, bonds, etc.), in accordance with its management objective;
- **Holds its real estate assets directly or via subsidiaries.**

LIST OF SUBSIDIARIES AND EQUITY INTERESTS

As of 31 December 2022, the structure of the BNP Paribas Diversipierre group is as follows:

BNP Paribas Diversipierre controls 100%:

- **SAS Diversipierre DVP1**, a simplified joint-stock company (Société par Actions Simplifiées, "SAS") incorporated on 17 February 2014 for the purposes of purchasing a first real estate asset. Diversipierre DVP1 is an unlisted real estate company, which has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.
- **SAS Le Magellan**, acquired on 27 October 2014 in the context of a real estate investment. From financial year 2015, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code in return for an obligation to distribute its profits.
- **SAS DVP Heron**, acquired on 22 December 2016 in the context of a real estate investment. From financial year 2010, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.
- **SAS DVP Haussmann**, a simplified joint-stock company (Société par Actions Simplifiées) incorporated on 13 November 2019 for the purposes of purchasing a first real estate asset. From financial year 2019, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.
- **SAS DVP European Channel**, a simplified joint-stock company (Société par Actions Simplifiées) incorporated on 25 June 2019 to buy indirectly a real estate asset.
- **SAS DVP Green Clover**, a simplified joint-stock company (Société par Actions Simplifiées) incorporated on 19 March 2020 to buy a first real estate asset in Ireland.
- **Bodio 1 SRL**, acquired on 5 August 2020 in the context of a real estate investment.
- The Italian regulated real estate fund **PHOENIX**¹, set up on 11 June 2021 in order to get the real estate asset Bodio.
- The Italian regulated real estate fund **HYDRA**², set up on 13 July 2022 in the context of a real estate asset acquisition.

- **SAS DVP Alpages 1950**, incorporated on 30 September 2022 in the context of a real estate asset acquisition. From financial year 2022, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.

BNP Paribas Diversipierre also holds:

- A 48.2% stake in **EPL SAS**, a shareholding acquired in two stages: firstly 38.2% on 30 June 2017, followed by an additional 10.0% on 15 November 2018.
- 50% of the capital of a regulated Italian real estate fund named **CONCEPTO**³, a vehicle created specifically for the acquisition of a real estate asset on 6 December 2017.
- 11.76% of the capital of **SAS Powerhouse Habitat**⁴, which has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.
- 26% of **SAS HEKA MASTER HOLDCO**, incorporated on 30 September 2022, in the context of a real estate asset acquisition. From financial year 2022, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code in return for an obligation to distribute its profits.

Through its subsidiary Diversipierre DVP1, BNP Paribas Diversipierre holds:

- 17.1% of the capital of **SAS Issy Bords de Seine II**, acquired on 17 December 2014 in the context of a real estate investment. From financial year 2015, this company has opted for the corporation tax exemption derogation scheme provided for by Article 208C of the French General Tax Code, in return for an obligation to distribute its profits.
- 99.9% of the capital of **SCI DVP Hoche**, acquired on 22 December 2016 in the context of a real estate investment.
- 100% of the capital of **GmbH DIVERSIPIERRE GERMANY**, acquired on 13 July 2016 in the context of a real estate investment in Germany. DIVERSIPIERRE GERMANY acquired on 22 December 2017 one third of the capital of **GmbH Horizon Development**, and holds 100% of the capital of its subsidiaries **GmbH DVP Munich**

¹ As Phoenix is regulated by the Italian authorities, the Management company is BNP Paribas REIM Italy.

² As Hydra is regulated by the Italian authorities, the Management company is BNP Paribas REIM Italy.

³ As Concepto is regulated by the Italian authorities, the Management company is BNP Paribas REIM Italy.

⁴ PowerHouse Habitat is managed by SCAPRIM.



Hotel, DVP Germany Assets, DVP Deichor, ID Cologne A1, ID Cologne A2, and DVP German Resi all six of which were created specifically for the acquisition of real estate assets.

Through its subsidiary DVP European Channel, BNP Paribas Diversipierre holds:

- 30% of the capital of FREYPROP⁵, since 9 December 2019.
- 100% of the capital SA THE HYPE, acquired on 17 December 2019 in the context of a real estate investment.
- 9.2% of the capital of the real estate fund OREP#1, in which the OPCI has done a first investment in January 2020.
- 100% of the capital of DVP Spain Investment S.L., acquired on 2 November 2021 in the context of a real estate investment. SL ROMCU acquired, on 15 December 2021, 100% of the capital of SLU DVP TANGER, in the context of a real estate investment.
- 100% of the capital of DVP Vigasio SRL, created on 27 October 2022 in the context of a real estate investment.
- 100% of the capital of Sàrl luxembourgeoise GRPI, acquired on

30 June 2017 in the context of a real estate investment.

- 100% of the companies Vanami GmbH, and Vamisa GmbH, of which the latter holds LAX151 GmbH&CoKG, securities acquired in the context of a real estate investment.

BNP Paribas REIM France acts as the OPCI's Management company and, as such, performs the duties of Fund Manager and Asset Manager for all companies within the BNP Paribas Diversipierre Group.

None of the companies in which BNP Paribas Diversipierre holds a stake employs any staff.

BNP Paribas Asset Management has been entrusted with the management of the SPICAV's securities portfolio as well as its liquid assets, with the exception of the cash required for its ongoing operation.

CHANGES IN CAPITAL AND NET ASSET VALUE

During the financial year 2022, the SPICAV issued a total of 2,203,854.814 shares and redeemed a total of 367,587.973 shares. As a result, as of 31 December 2022, the capital of BNP Paribas Diversipierre was divided into 22,079,271.730 shares.

	Number of securities issued	Number of securities redeemed	Securities outstanding after calculation of the net asset value	Net asset value per share (€)	Net asset value (€)
20/01/2014	10,000.0000	-	10,000.0000	100.00	1,000,000.00
31/12/2014	1,058,427.5750	232.0890	1,058,195.4860	100.71	106,576,191.52
31/12/2015	443,803.5630	547.0620	1,501,451.9870	107.18	160,928,744.30
31/12/2016	4,671,608.2620	4,078.1250	6,168,982.1240	111.34	686,854,781.85
31/12/2017	3,243,547.0150	15,859.5410	9,396,669.5980	117.68	1,106,080,611.16
31/12/2018	2,320,929.5590	38,242.3040	11,679,356.8530	117.61	1,373,649,758.70
31/12/2019	4,060,302.6800	48,074.2800	15,691,585.2530	126.59	1,986,472,465.22
31/12/2020	2,848,618.865	90,481.11	18,449,723.008	123.31	2,275,086,299.27
31/12/2021	1,972,093.239	178,811.358	20,243,004.889	125.67	2,544,126,427.15
31/12/2022	2,203,854.814	367,587.973	22,079,271.730	117.49	2,598,107,658.10

Source: BNP Paribas REIM France

MANAGEMENT OBJECTIVE AND STRATEGY

The OPCI seeks to harness the performance of the real estate markets by selecting buildings from different sectors (offices, retail, warehouses, etc.) and at the same time allocating a significant portion of its assets to financial products that depend on the real estate market and which performance are linked to fluctuations in the financial markets.

BNP Paribas Diversipierre seeks therefore to invest 65% of its assets directly or indirectly in physical real estate assets. This involves taking advantage of investment opportunities in France and other Eurozone countries, using selective criteria both in terms of the type of buildings acquired and their geographical locations. Specifically, real estate assets are selected on the basis of:

- Their prospects for generating income over the long term;
- Their potential for increasing in value;
- Their liquidity;
- Their architectural and technical features;
- Their location in areas that promise to be attractive for tenants in the long term.

Furthermore, BNP Paribas Diversipierre aims to invest 29% of its assets in shares of listed REITs traded on European stock exchanges that can be denominated in other currencies than Euro, covered bonds denominated in Euro or liquid investments (short-term UCITS, sovereign bonds, term deposits, tradeable certificates, etc.). Financial products are selected and managed on the basis of:

- The outlook for each of the markets on which the SPICAV is or may be invested;
- A sector and fundamental analysis for each selected security;
- Socially responsible investment criteria, in accordance with an internal methodology developed by BNP Paribas Asset Management, for listed REITs securities.

Lastly, BNP Paribas Diversipierre maintains a target of holding 6% of its assets in cash and cash equivalents.

In accordance with the regulations in force and its Prospectus:

- Real estate physical assets must represent a minimum of 51% of the value of the assets of the OPCI;
- Real estate physical assets and listed REITs securities must together represent at least 60% of the value of the assets of the OPCI;
- Cash must represent a minimum of 5% of the assets of the OPCI, so that it is able to fulfil any redemption requests.

The SPICAV incurs debt to finance the acquisition or retention of property portfolio as part of renovation or upgrading programmes. The Fund's debt ratio is limited to 40% of the value of property assets, on the understanding that the target debt ratio stands at 20% of the value of these assets.

A summary of the strategy adopted with regard to the main asset

⁵ FREYPROP is managed by FREY.

classes likely to be held by the OPCI is set out below (for full details, please refer to the BNP Paribas Diversipierre Prospectus):

STRATEGY ADOPTED ON REAL ESTATE PHYSICAL ASSETS

The real estate assets portfolio primarily comprises buildings or real rights (leases, usufruct, construction leases, etc.) held directly by the OPCI or through its subsidiaries.

The OPCI aims to build a diversified property portfolio. It adopts a flexible approach to the selection of its assets and may vary its allocation among various types of real estate assets based on market appraisals. To this end, it may hold mainly offices, retail, warehouses and, to a lesser extent, residential units, as well as assets such as retirement homes, student accommodation, etc. These investments may be made in France or in the Eurozone.

The strategy adopted for BNP Paribas Diversipierre's real estate physical assets focuses on three main areas, allowing it to meet its performance objectives while owning high-quality buildings: strong geographical and sectoral diversification, a selection of buildings that combine both value creation and secure income, and consideration of non-financial criteria associated with sustainable development.

- **Diversification:** BNP Paribas Diversipierre's real estate physical assets aims to reflect a strong geographical and sectoral diversification, allowing it to benefit from the various trends in each country and each asset type, from both a macroeconomic perspective and that of the various real estate markets. As such, nearly half of its assets are located in Europe – in the Eurozone, outside France – while all types of real estate assets may feature within the OPCI's assets (offices, retail, hotels, residential, logistics), though office buildings remain in the majority.
- **Selection of buildings:** BNP Paribas Diversipierre targets real estate assets that meet two complementary asset management strategies, firstly "prime" or "core" assets, i.e. located in the centre of major European cities, leased to national or international tenants and offering secure long-term income; and secondly, assets with the potential for value creation, through proactive asset management activities following acquisitions (restructuring, marketing risk, renegotiation of leases).
- **Environmental impact:** since sustainable performance is a fundamental aspect in the management of BNP Paribas Diversipierre, the vehicle adopts an engaging, concrete and sustainable methodology for selecting and managing its property portfolio from an ESG (Environmental, Social and Governance) perspective. This policy thus allows buildings in the portfolio to make progress from an ESG standpoint. This methodology is set out in more detail in this document, and has been validated with the awarding of the SRI label in 2020.

STRATEGY ADOPTED ON THE FINANCIAL SECURITIES PORTFOLIO

The selection and management of financial securities held by BNP Paribas Diversipierre focus on three main areas:

- **Underlying real estate assets:** All the OPCI's assets have a connection with the real estate sector, allowing BNP Paribas Diversipierre to be a fully-fledged real estate product;
- **Balanced allocation:** BNP Paribas Diversipierre seeks to maintain an equal distribution in terms of weighting between listed REITs securities and covered bonds, enabling the overall performance remain close to the one of its physical assets component. The balanced allocation also offsets the greater volatility generated by listed REITs securities and, overall, maintains a level of volatility similar to that of real estate physical assets;
- **ESG selection criteria:** In addition to the responsible investment policy applied to real estate physical assets, ESG selection criteria are applied by the management team during the process used to select financial securities, so that the players with the best practices from an Environmental, Social, and Governance

perspective can be selected. This SRI selection methodology is set out in detail in the "Corporate Social Responsibility" section of this annual report.

The management company determines the investment strategy, and therefore the allocation between the various types of financial instruments, on the basis of market conditions. The allocation decision is determined by the convictions of BNP Paribas REIM France, supported by research conducted by BNP Paribas Asset Management.

BNP Paribas Asset Management, acting as the delegated manager of the financial component, is entrusted with implementing the strategy decided by BNP Paribas REIM France.

The financial instruments used will be denominated in Euro. The financial securities portfolio does not bear any currency risk.

EQUITIES

The SPICAV invests in listed REITs securities traded on markets in Europe and not limited to shares denominated in Euro.

Its investment strategy is based on an active management that takes a disciplined approach to stock picking by combining financial and non-financial analysis.

At least 90% of the net assets of the financial component (excluding the cash component) covered by this strategy are invested in securities that have been analysed according to the management company's environmental (E), social (S) and governance (G) (ESG) criteria. Following this analysis, the strategy applies a "selective" approach, which aims at a minimum reduction of 20% of the investment universe.

The manager then selects the companies they wish to invest in, based on financial criteria such as clarity of strategy, quality of management, financial health, income, prospects for revenue growth and performance, and valuation. The financial and non-financial analysis is based in particular on company visits and meetings with management.

Each stage of the investment strategy and the management process results in the identification of the most attractive securities that match the management objective.

MORTGAGE BONDS AND "COVERED" BONDS

Mortgage bonds and covered bonds are bonds issued by financial institutions which are collateralised by assets. These bonds thereby have a claim on the issuing entity (the financial institution) and, if the latter becomes insolvent, a claim on a pool of assets (a set of loans) that will be used to repay the bond as a priority.

The SPICAV invests a maximum of 35% of its assets in Euro-denominated covered bonds or in equivalent Euro-denominated financial securities issued by financial institutions. The selected bonds will be rated at least "Investment Grade" at the time of purchase. The assets used as collateral are mainly made up of mortgage loans.

The covered bonds investment universe uses non-financial criteria (CO₂ emissions, job creation, independence of governance, etc.) to select the issuers demonstrating the best environmental, social and governance practices.

At least 90% of the net assets of the financial component (excluding cash) covered by this strategy are invested in securities that have been analysed according to the management company's environmental, social and governance (ESG) criteria. Following this analysis, the strategy applies a "selective" approach, which aims at a minimum reduction of 20% of the investment universe

Within this investment universe, the manager then selects the issuers they wish to invest in, based on financial analysis criteria (clarity of strategy, quality of management, financial health, etc.)



and interest rate scenarios. Non-financial investment criteria are set, and revised where necessary, by BNP Paribas Asset Management's internal SRI Research team.

STRATEGY ADOPTED ON LIQUID ASSETS

In order to deal with any redemption requests, a portion of the assets of the SPPICAV is invested in deposits and financial instruments of a liquid nature, including treasury bills, negotiable debt securities, bonds issued or guaranteed by a member state

of the Organisation for Economic Cooperation and Development (OECD), and units or shares of French or foreign money market or bond UCITS that invest more than 90% of their net assets in the asset classes referred to above. The financial instruments selected shall be denominated in Euro.

The cash component may represent 5% to 40% of the SPPICAV's NAV and aims to remain close to its minimum limit.

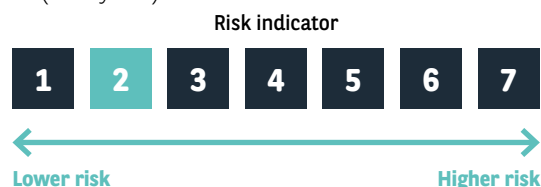
RISK FACTORS & INVESTMENT VEHICLE RISK LEVEL

The risk factors to which the BNP Paribas Diversipierre OPCI is exposed are described in the full prospectus for the SPPICAV. The main risks, however, are summarised below:

- **Risk of capital loss:** the OPCI does not guarantee or protect the capital invested. Investors' attention is also drawn to the fact that the OPCI may not perform in line with its objectives and that the capital invested may not be recovered in full, even if investors retain their shares for the entire recommended holding period;
- **Liquidity risk:** the OPCI is exposed to liquidity risk as a result of low liquidity in the real estate market. Property sales inherently require considerable time, which may be extended during periods of market stress;
- **Currency risk:** within the strict framework of securities management of listed REITs, the OPCI may be required to hold securities denominated in currencies other than euro. Activities of the OPCI in the strict framework of the management of company securities real estate may therefore be subject to general exchange rate volatility risks;
- **Risks associated with the real estate market:** real estate investments made by the OPCI are directly or indirectly subject to the risks inherent in the ownership and management of real estate assets. In this respect, the performance and development of the invested capital is exposed to risks associated with fluctuations in this asset class. Numerous factors (generally linked to the economy or more specifically to the real estate market) may have a negative impact on the value of the assets or equity interests held by the OPCI;
- **Specific risks associated with development and off-plan sales transactions:** the OPCI may engage in development transactions (property development contracts, delegated project management contracts, etc.) and off-plan sales transactions, which are likely to expose it to the following risks:
 - Project management construction risks,
 - Risk of default by the developer, project manager or general contractors,
 - Risk of time-delayed revenue collection between completion of construction and rental of the building;
- **Counterparty risk:** the OPCI is exposed to counterparty risk in the real estate market, but also in the forward financial instruments market if a counterparty with which a contract has been concluded does not meet its commitments;
- **Credit risk:** any deterioration in the credit quality of an issuer may result in a reduction in the value of the securities it has issued;

- **Risk associated with the use of debt:** the OPCI may incur debt in order to finance purchases and other works. Under these circumstances, fluctuations in the real estate market may have a considerable impact on the ability to repay the debt and fluctuations in the credit market may limit funding sources and significantly increase financing costs;
- **Interest rate risk:** the OPCI may be partially invested in interest rate instruments. These present a risk of depreciation in response to changes in interest rates;
- **Equity risk:** the OPCI may be partially invested in listed REITs securities. Equity markets may be subject to significant price fluctuations;
- **Risk associated with the use of derivative instruments:** the OPCI may use derivative instruments to hedge against adverse market exposure. There may be a risk of imperfect hedging that makes it impossible to fully protect the OPCI from a fall in the value of the hedged assets.

According to the product's synthetic risk and yield indicator (following PRIIP regulation), which is set out in the Key Information Document available on the Management company's website, BNP Paribas Diversipierre is classified as 2 on a scale of 7, i.e. a low risk class of capital loss at the recommended holding horizon (i.e. 8 years).



The risk indicator is based on the assumption that you retain the product for 8 years. The risk category associated with the OPCI is not guaranteed and may change over time. The lowest category does not mean that the investment is risk free.

SIGNIFICANT MANAGEMENT ACTIONS IN THE YEAR

In 2022, BNP Paribas Diversipierre continued to expand its portfolio with investments of nearly €491 m in real estate assets.

REAL ESTATE ASSETS

ACQUISITIONS

In 2022, BNP Paribas Diversipierre realised 8 acquisitions for a total investment volume of €480m.

- On 14 January 2022, the OPCI finalised the acquisition of the last unit of the "51-53 boulevard Haussmann" asset, located in the 9th arrondissement of Paris, enabling to reconstitute full ownership. This building is undergoing major restructuring, with delivery expected in the second quarter of 2023.



*Perspective of 51-53, boulevard Haussmann - Paris - France
non-contractual image*

- On 31 January 2022, 6 residential buildings in Hamburg, Germany have been acquired, for which a sale commitment was signed in December 2021. The complex located in the "Bergedorf" family district consists of 155 apartments that have been fully rented since their construction in 2010.



Bergedorf - Hamburg - Germany

- Your OPCI also acquired on 4 July 2022 a building under development in the "Favoriten" eco-district in Vienna, Austria. The 8-storey building will be composed of 56 apartments and is scheduled for completion in 2024.
- During August, BNP Paribas REIM Italy acquired through the "Hydra" fund, fully owned by your OPCI, the hotel/spa "San Pellegrino Terme". The asset is located in Lombardy, Italy and benefits from natural thermal waters reputed in the region.



San Pellegrino Terme - Italy

Built in 2014, the complex is composed of 49 rooms for the hotel part and 850 lockers for the spa users. The operator QC Terme is the European market leader for this type of services. This acquisition reinforces the sectorial and geographical diversification of your OPCI's portfolio.

- On 1 October, BNP Paribas Diversipierre finalised the acquisition of an hotel located in Hamburg, Germany. The asset is 9,500 sqm and has 264 rooms. It was delivered in 2021. 220 rooms are operated by the Moxy brand in a "lifestyle" spirit and 44 are dedicated to Residence Inn by Marriott. These 44 rooms are apart'hotels (equipped studios). The operator is bound by a very long-term lease.
- On 20 October, BNP Paribas Diversipierre acquired the Club Med de La Rosière, located in Montvalezan, France. The asset was delivered in November 2020 and has 398 rooms spread over 39,000 sqm. This Club Med offers a premium "4 Tridents" service under a long-term lease. It offers a high-end offer to its customers and meets holiday-makers' expectations, including families, both summer and winter by offering sports activities linked to the mountains and welfare activities. Besides the asset has the BREEAM Good label and was awarded "Best Hotel Complex" during the 2021 MIPIM (Marché International des Professionnels de l'Immobilier in French).



Club Med de La Rosière - Montvalezan - France

- On 31 October, the OPCI also acquired a 19 assets healthcare portfolio composed of senior residences and clinics in France. Two other institutional investors are part of the acquisition. Your OPCI is invested in 26% of the portfolio.
- Finally on 30 December 2022, BNP Paribas Diversipierre finalised the acquisition of a logistics platform near Verona, Italy with an area of nearly 55,000 sqm. The asset is built to the latest market standards. It is located along a north-south axis from the Nordic countries to southern Italy via Germany.

In addition, on 9 March 2022, your OPCI delivered the Tribeca asset in Bordeaux, France acquired prior to its construction in 2019. The building of ca. 10,500 sqm is at the heart of a 55,000 sqm mixed urban redevelopment project with a prime location 800 m from the main train station.



Tribeca - Bordeaux - France

ACQUISITION OF SHAREHOLDINGS

In 2022, BNP Paribas Diversipierre increased its stake to the tune of €11 m in two real estate vehicles.

- In the OREP#1 vehicle, managed by the Management company OSAE Partners, in which BNP Paribas Diversipierre had agreed to acquire a stake of €20 m in 2019. OREP#1 is an investment fund specialised in complex transactions and development/redevelopment projects located mainly in Paris, and is open to all types of assets. In 2022, €2.9 m were called for a total amount called at the end of the year of €18.2 m.
- In the Powerhouse Habitat residential fund managed by the Management company Scaprim, in which BNP Paribas Diversipierre invested €50 m in 2017. The Powerhouse Habitat fund secured the acquisition of a residential portfolio consisting of assets in tense areas in Île-de-France (Paris, 1st and 2nd suburbs), your OPCI participated in a capital increase of €8.1 m in order to finance the acquisition.

DISPOSALS

- On 7 April 2022, BNP Paribas REIM Italy, acting on behalf of the alternative real estate investment fund Concepto, 50% owned by your OPCI, completed the sale "Mazzini". The building is located in Milan near the Duomo, Via Mazzini 9/11, and develops a total area of more than 11,000 sqm over eight floors and two basement levels. Built in 1935, the asset was acquired by the Concepto Fund in August 2020, just after the renovation work was completed. The building is fully leased to WeWork, which installed its fourth Milan building in March 2021. When

the asset was acquired in 2020, investors took a calculated risk during the Covid pandemic, in a period of uncertainty and with a lessee who was relatively new on the Italian market. The sale resulted in a good level of IRR of about 12%; higher than initial objectives.

- On 29 December, BNP Paribas REIM Italy on behalf of the alternative investment "Concepto" fund — 50% owned by your OPCI — achieved the sale of the "Tortona" offices building. The building located in Milan, Italy develops 22,600 sqm and was acquired in 2017. Deloitte is the single tenant. A sale commitment was concluded at the end of March 2022. The sale resulted a level of IRR of about 6% during the detention period, in accordance with yield objectives.
- In addition, an exclusivity was granted to a third party in December concerning the sale of the hotel residence rue Leroux in Paris 16^{ème}. The asset was vacant since its tenant went into administration in 2020 during the pandemic. The sale was concluded on 13 January 2023.



Mazzini - Milan - Italy

RENTAL EVENTS

The tables below summarise the main additions to and removals from the portfolio 2022.

New tenants	Building	Floor area (sqm)	Contractual rent (€k)	Effective date of lease	Term (years)	Deduction (months)	Notes
	Vivienne	378	204	13/01/2022	6/9	9	New Lease
	Héron Parc	2,227	381	31/03/2022	3/9 with annual removal possibility from the third year	3	Renewal
	Karré	274	53	04/04/2022	6/9	6	New Lease
	Le Visium	204	53	30/04/2022	6/9	12	New Lease
	Tribequa	581	141	31/05/2022	3/6/9	4	New Lease
	Vivienne	252	135	31/05/2022	3/6/9	0	New Lease
	Tribequa	3,888	943	30/06/2022	9	15	New Lease
	Visalto	3,269	1,317	30/06/2022	6/9	3	Renewal
	Visalto	572	231	30/06/2022	6/9	3	Renewal
	Tribequa	1,139	283	31/08/2022	6/9	6	New Lease
	Vivienne	193	117	14/09/2022	3/6/9	4	New Lease
	Carat 2	2,525	880	30/09/2022	3/6/9	0	Renewal
	Vivienne	88	51	08/12/2022	3/6/9	0	New Lease

Outgoing tenants	Building	Floor area (sqm)	Contractual rent (€k)	Leaving date	Notes
	Deichtor	544	1,401.90	30/06/2022	End of lease
	Carat 2	4,142	1,573	30/09/2022	Renewal with area reduction

Source: BNP Paribas REIM France

FINANCIAL ASSETS WITH REAL ESTATE UNDERLYINGS

During 2022, BNP Paribas Diversipierre did not make any new investment in its listed REITs shares portfolio.

Concerning its bonds portfolio - and against a backdrop of interest rates hikes - BNP Paribas Diversipierre divested almost half of its bond portfolio during February and March. Proceed of these sales was mostly invested in time deposits with guaranteed capital. And the rest was partially hedged against interest rates upward variations.

At the end of 2022, the financial assets portfolio is valued approximately €416 m.

As of 31 December 2022, nearly 57% of the listed REITs shares in the portfolio held by BNP Paribas Diversipierre are denominated in

Euro, while the others are denominated in pound (25%), Swedish krona (9%) and Swiss franc (9%).

As a result of changes in the value of the portfolios held and the partial cession of the bonds' portfolio, the exposure to financial assets is divided between 60% of listed REITs and 40% of rate products at the end of 2022.

As in previous years, BNP Paribas Diversipierre also took positions and made specific sales on some securities throughout the year, depending on the management's convictions.

BNP Paribas Diversipierre's exposure to financial securities as of 31 December 2022 is detailed in the section "Financial situation at the end of 2022" below.

FINANCIAL SITUATION AT THE END OF 2022

DISTRIBUTION OF GROUP ASSETS

Given the real estate investments made during 2022, the significant change in the values of financial securities and the partial sale of some of the bonds, the share of "physical" real estate is 68% at the end of 2022, compared with 60% at the end of 2021, while the cash in the fund stands at 15%.

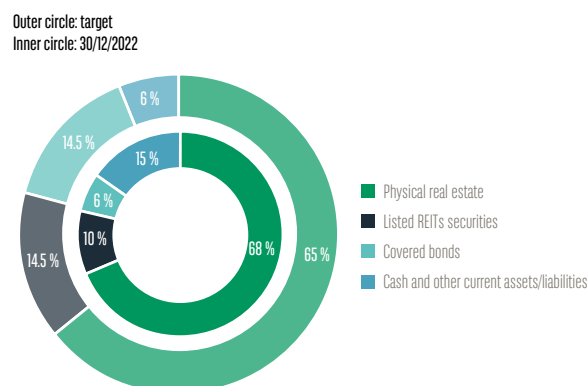
Accordingly, BNP Paribas Diversipierre's asset allocation changed as follows over the year:

Composition of total net assets of BNP Paribas Diversipierre	31/12/2021	30/06/2022	31/12/2022
Real estate physical assets net of debt	60%	64%	68%
Listed real estate	15%	10%	10%
Covered bonds ⁶	15%	7%	6%
Other non-real estate financial assets	0%	0%	0%
Cash & other current assets/liabilities	10%	19%	15%
Total net assets of BNP Paribas Diversipierre (in €)	2,544,126,427	2,625,505,245	2,598,107,658
Regulatory real estate ratio (defined by Articles L.214-37 and L.214-36 of the French Monetary and Financial Code)	65.45%	66.78%	72.70%
Regulatory liquidity ratio (defined by Articles L.214-37 and R.214-100 of the French Monetary and Financial Code)	8.79%	15.91%	7.24%

Source: BNP Paribas REIM France

As of 30 December 2022 - and following investments in real estate, the downward trend in the values of financial securities and the partial sale of some of the bonds - the OPCI's financial allocation is far from its target allocation as illustrated below. A rebalancing of this allocation is considered during 2023 and will depend on the stabilisation of interest rates environment.

BREAKDOWN IN % OF TOTAL ASSETS HELD ON THE BASIS OF TOTAL NET ASSETS *



The graph above illustrates the asset allocation of BNP Paribas Diversipierre as of 30 December 2022, compared to the target allocation defined in the OPCI's strategy.

⁶ Covered bonds excluding bonds considered as liquid (which are included in cash).

*Due to percentage roundings, the sum does not necessarily equal 100%.

REAL ESTATE ASSETS

As of 31 December 2022, the physical real estate portfolio of BNP Paribas Diversipierre consists of 36 assets (26 of which are fully owned) for office, retail and hotel use, located in France and Europe (Eurozone) and 2 non-controlling interests in PowerHouse and OREP#1 vehicles.

SUMMARY OF ASSETS HELD

The table below summarises the real estate assets held:

Building	Postcode	Address	Region	Usage	100% of surface area (sqm)	% held
France						
Héron Parc	59650	Avenue de l'Avenir - Villeneuve d'Ascq	Hauts-de-France	Retails / Offices	40,386	100%
Visalto	75019	8, boulevard de l'Indochine - Paris	Île-de-France	Offices	7,653	100%
Hoche	75008	Avenue Hoche - Paris	Île-de-France	Offices	2,917	100%
Pantin les Grands Moulins	93500	9, rue du Débarcadère - Pantin	Île-de-France	Offices	21,059	48.2%
Portefeuille PowerHouse ⁷	France	Several localisations	France	Residential	685,612	11.76%
Le Magellan	75019	Rue de Cambrai - Paris	Île-de-France	Offices	6,321	100%
12, rue Vivienne	75002	Rue Vivienne - Paris	Île-de-France	Offices / Residential	3,297	100%
Leroux	75116	Rue Leroux - Paris	Île-de-France	Aparthotel	1,950	100%
Arcueil le Visium	94110	22, rue Aristide Briand - Arcueil	Île-de-France	Offices	12,487	48.2%
Châtillon le Carat	92230	20, rue André Gide - Châtillon	Île-de-France	Offices	11,032	48.2%
Le Karré	69120	Rue Bataillon Carmagnole-Liberté Vaulx-en-Velin	Auvergne- Rhône-Alpes	Offices	10,131	100%
Arcueil Axéo	94110	19, rue Aristide Briand - Arcueil	Île-de-France	Offices	9,203	48.2%
Marseille le Sextant	13002	44, boulevard de Dunkerque - Marseille	Provence-Alpes- Côte d'Azur	Offices	9,226	48.2%
Montrouge	92120	Rue Camille Pelletan - Montrouge	Île-de-France	School	3,200	100%
Tribequa	33000	ZAC Saint Jean Belcier Îlot 8.3 - Bordeaux	Nouvelle-Aquitaine	Offices	10,500	100%
51-53 bld Haussmann	75009	51-53, boulevard Haussmann - Paris	Île-de-France	Offices/Retails	3,393	100%
OREP# ⁸	France	Several localisations	France	Mixed	35,726	9.26%
HEKA	France	Several localisations	France	Health	111,200	26%
Club Med de La Rosière	73700	Route du Golf - Montvalezan	France	Hotel	38,693	100%
Germany						
Horizon	40476	Johannstrasse 1 - Düsseldorf	Germany	Offices	24,332	33.33%
City East	81673	Berg-am-Laim-Strasse 125 - Munich	Germany	Hotel	5,501	100%
City South	81539	Raintaler Str.47 - Munich	Germany	Hotel	4,510	100%
Schwedler Carré	60314	Otto-Messmer-Strasse 1	Germany	Offices	8,483	100%
Deichtor Office Center	20457	Oberbaumbrücke 1, Willy-Brandt-Strasse 1 - Hambourg	Germany	Offices	21,707	100%
Primark	24103	Holstenstraße 37 - Kiel	Germany	Retails	8,837	100%
Haus Am Platz (ID Cologne A1)	51063	Am Kabellager, 5, 7, 9 - Cologne	Germany	Offices	21,222	44.6%
Patihofhaus (ID Cologne A2)	51063	Am Kabellager, 11, 13 - Cologne	Germany	Offices	13,312	44.6%
Bergerdorf	21035	Albert-Gebel-Str. 8-28 - Hambourg	Germany	Residential	13,054	100%
Moxy	22761	Kühnehöfe 8, Kühnehöfe 10 - Hambourg	Germany	Hotel	9,475	100%
Ireland						
The One	Dublin 2	Grand Canal Street - Dublin	Ireland	Offices	4,345	100%
Italy						
Bodio Center	20158	Viale Luigi Bodio, 37 - Milan	Italy	Offices	54,172	100%
QC Terme San Pellegrino	24016	Viale della Vittoria, 53 - San Pellegrino	Italy	Hotel/spa	12,177	100%
Vigasio	37068	Parco della Logistica Avanzata - Vigasio	Italy	Logistics	54,726	100%
Luxembourg						
Grand Rue	1660	56 Grand Rue - Luxembourg	Benelux	Offices	5,326	100%
Belgium						
The Hype	1000	Avenue Louise, 250-262 - Brussels	Benelux	Offices	9,956	100%
Portugal						
Albufeira Shopping Center	8200	Albufeira - Faro	Portugal	Retails	58,350	30%
Spain						
Tanger	08018	Carrer de Tànger, 66 - Barcelona	Spain	Offices	7,211	100%
Austria						
Am Schönen Platz	1100	Laxenburger Str.151 - Vienne	Austria	Residential	Under construction	100%

Source: BNP Paribas REIM France.

N.B. Some assets are not wholly owned. The surface areas given do not take into account the proportion of the property held.

⁷ and ⁸ PowerHouse and OREP#1 are non-controlling interests.

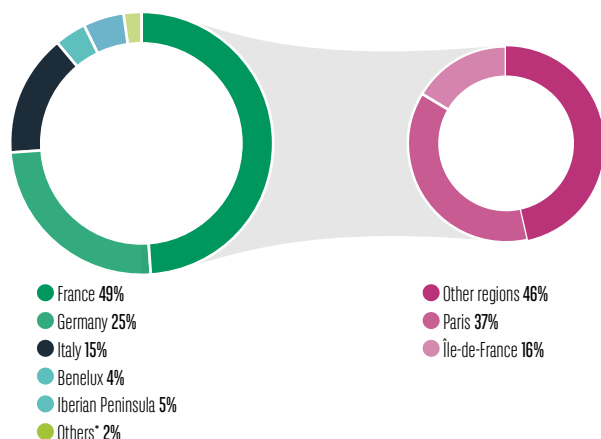


The two graphs below show the distribution of assets⁹ by:

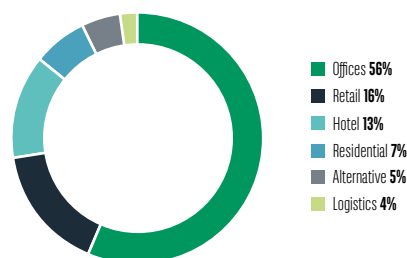
■ **Geographical area** (calculations of market value excluding fees and charges as of 31 December 2022).

■ **Class of real estate assets** (calculations of market value excluding fees and charges as of 31 December 2022, based on the main use of each asset);

BREAKDOWN OF THE MARKET VALUE OF REAL ESTATE ASSETS BY GEOGRAPHICAL SECTOR AS OF 30/12/2022

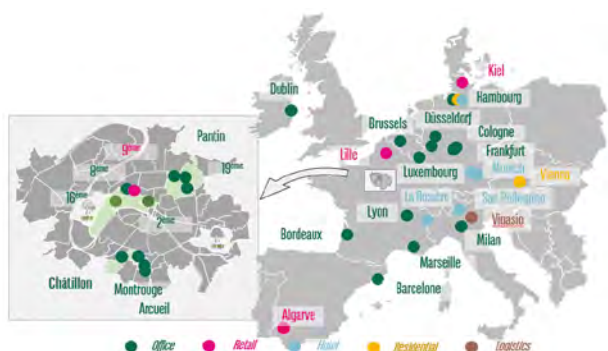


BREAKDOWN OF THE MARKET VALUE OF PROPERTY ASSETS BY TYPE AS OF 30/12/2022



During 2022, the OPCI pursued its assets diversification strategy, particularly from a sectoral perspective with first investments in logistics, health and a strengthening of the hotel sector. Logically, following 2022 movements, the share of offices now represents 56% of the assets compared to 74% last year.

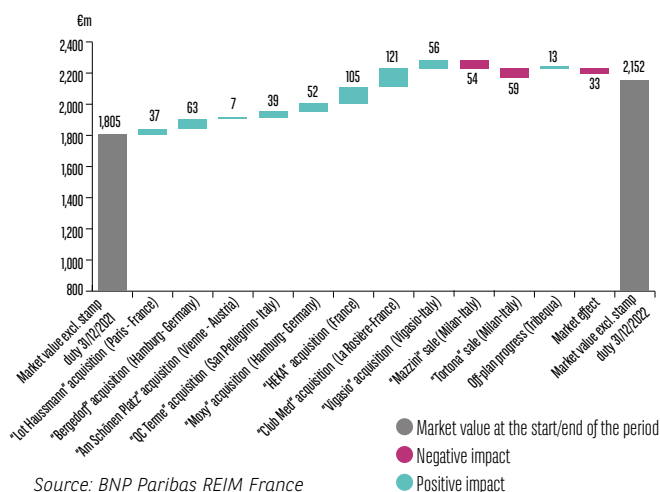
GEOGRAPHIC DISTRIBUTION OF ASSETS



N.B. Interests in HEKA portfolio, PowerHouse and OREP#1 are not shown on the map, as these 3 portfolio are spread across France.

CHANGES IN REAL ESTATE ASSETS

The market value of direct real estate assets (excluding non-controlling interests) raised by €347m over the year, from €1,805 m¹⁰ to €2,152 m¹¹ excluding fees and charges as of 31 December 2022.



Source: BNP Paribas REIM France

*Others : Ireland and Austria

⁹ Non-controlling interests in PowerHouse and OREP#1 are included in the graphs, valued on the basis of their net asset value and the current account granted by the OPCI concerning PowerHouse.

¹⁰ and ¹¹ Excluding PowerHouse and OREP#1, which are non-controlling interests.

MAIN CHANGES AND FACTORS

- The impact of acquisitions, progress of off-plan purchases and restructuring works:

- Acquisition of the additional unit on "Haussmann" in Paris, France (+€37m excluding fees and charges);
- Acquisition of the "Enjoy Bergedorf" complex in Hamburg, Germany (+€63m excluding fees and charges);
- Acquisition of the "Am Schönen Platz" project in Vienna, Austria (+€7m excluding fees and charges);
- Acquisition of the "QC Terme" hotel/spa in San Pellegrino, Italy (+€39m excluding fees and charges);
- Acquisition of the "Moxy" hotel in Hamburg, Germany (+€52m excluding fees and charges);
- Acquisition of the "HEKA" portfolio in France (+€105m excluding fees and charges);
- Acquisition of the Club Med of La Rosière in France (+€121m excluding fees and charges);
- Acquisition of the "Vigasio" platform in Vigasio, Italy (+€56m excluding fees and charges);
- Sale of "Mazzini" in Milan, Italy (-€54m excluding fees and charges);
- Sale of "Tortona" in Milan, Italy (-€59m excluding fees and charges);
- Progress in the construction of "Tribeca" asset in Bordeaux, previously acquired under an off-plan agreement (+€13m excluding fees and charges).

- The €33m progression in value, on a like-for-like basis, due to the rise of rents linked to indexation and the rise of the occupation rate, offset by the decrease of appraisal values during the last quarter of 2022.

OCCUPANCY RATES AND MAIN LEASE MATURITIES

Occupancy rate and average residual term

As of 31 December 2022, the financial occupancy rate for all BNP Paribas Diversipierre's real estate assets is **89.4%** compared to 87.8% a year earlier.

Excluding "51-53 Boulevard Haussmann" asset in Paris 9th from the calculation which is vacant due to the ongoing major restructuring operation, the financial occupancy rate of assets held by BNP Paribas Diversipierre is 95.1%.

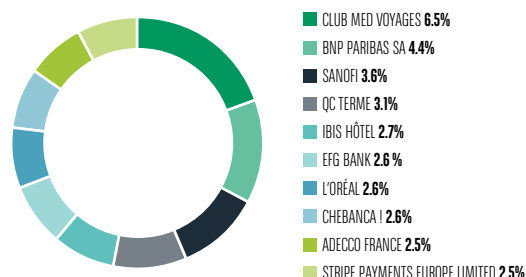
As of 31 December 2022, the portfolio's financial vacancy is mainly focused on:

- The "51-53 boulevard Haussmann", accounting for 57% of the financial vacancy;
- The "4-6 Leroux", accounting for 12% of the financial vacancy;
- The "Tribeca" building, accounting for 10% of the financial vacancy;
- The "Bodio Center" complex, accounting for 9% of the financial vacancy;
- The "Carat 2" building, accounting for 4% of the financial vacancy;
- The "Deichtor Office Center" building, accounting for 3% of the financial vacancy;
- The "Visalto" building, accounting for 2% of the financial vacancy;
- The "Axéo" building, accounting for 1% of the financial vacancy.

Average term, main tenants and lease expiry

As of 31 December 2022, the average residual **fixed** term of the leases entered into by BNP Paribas Diversipierre on its assets amounts to **6.7 years**¹², compared with 4.6 years last year. The total average residual term of the same leases is 8.3 years.

The 10 main tenants of BNP Paribas Diversipierre¹³ are shown in the chart below:

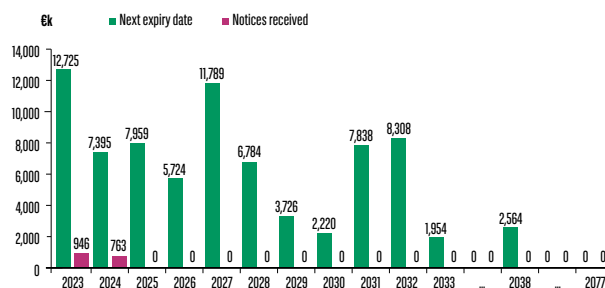


The 10 largest tenant account for approximately 33% of the Fund's total rents, compared to 35% at the end of last year, while no tenant accounts for more than 6.5% of total rents, showing the good diversification of rental income from buildings in the portfolio.

The graph below the distribution of tenants' lease expiries. These expiries reflect the possible exit dates of tenants and the end dates of leases¹⁴. Notices of vacancy already received are also shown.

BREAKDOWN OF TENANCY EXPIRIES FOR ASSETS HELD BY BNP PARIBAS DIVERSIPIERRE

(in contractual rent expressed as €k excl. taxes and charges)



Source: BNP Paribas REIM France

The notices of vacancy shown in the graph above correspond to areas vacated by tenants from "Carat 2" asset located in Châtillon and "Magellan" asset in Paris.

These notices of vacancy remain limited at portfolio level, representing 1.8% of leases rents as of 31 December 2022.

FINANCIAL ASSETS

As of 31 December 2022, the financial assets of BNP Paribas Diversipierre represent 16% of net assets (excluding bonds considered liquid and sovereign bonds), for a total value of €416.1 m (excluding sovereign bonds only). This allocation stands at 39.8% for covered bonds portfolio and 60.2% for listed REITs portfolio.

Statement of net assets	31/12/2021	30/06/2022	31/12/2022
Listed REITs securities traded on a regulated market	367,958,960.34	273,333,237.07	250,486,638.16
Covered bonds ¹⁵	385,776,006.90	168,567,678.98	165,634,048.42
Total	753,734,967.24	441,900,916.05	416,120,686.58

Composition of total net assets of BNP Paribas Diversipierre	31/12/2021	30/06/2022	31/12/2022
Listed REITs securities traded on a regulated market	14.5%	10.4%	9.6%
Covered bonds ¹⁶	14.1%	7.1%	6.4%
As % of total net assets	28.6%	17.5%	16.0%

Source: BNP Paribas REIM France

¹² and ¹³ Excluding the non-controlling interests in Powerhouse and OREP#1.

¹⁴ Some retail leases included the rental position of the OPCI have already expired and are in the tacit renewal phase. In order to correctly reflect the risk of departure of these tenants, who may give six months' notice of departure at any time, it has been assumed that the lease termination date is D+6 months from the date of this report, i.e. 30 June 2021. This calculation is deliberately conservative and does not reflect the management company's assessment of the risk of departure of these tenants.

¹⁵ Bonds including bonds considered to be liquid i.e. bonds with a maturity of less than 397 days, excluding sovereign bonds.

¹⁶ Ratio excluding bonds considered to be liquid and sovereign bonds.

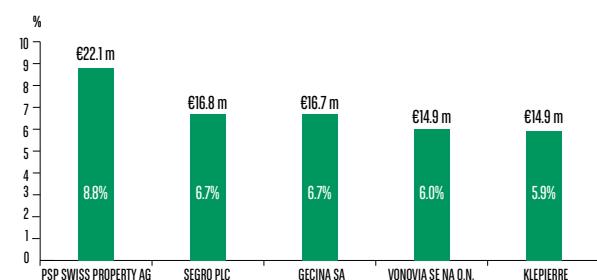
SHARES OF LISTED REITS

The gross performance of the listed REITs shares portfolio (consisting of 25 stocks at the end of 2022) held by the OPCI over the year 2022 amounts to -31.0%.

The securities are selected on the basis of a fundamental analysis of the securities, liquidity criteria (sufficiently large free float) as well as an analysis of "Environmental, Social and Governance (ESG)" criteria (see the Corporate Social Responsibility section of this report).

The graph below shows the 5 highest weightings of listed REITs shares in the fund's total net asset at 31 December 2022.

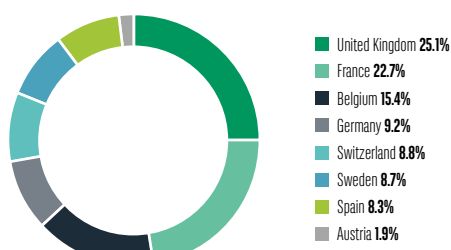
BNP PARIBAS DIVERSIPIERRE LISTED REITS PORTFOLIO TOP 5 HOLDINGS (as a % of portfolio value)



Source: BNP Paribas REIM France

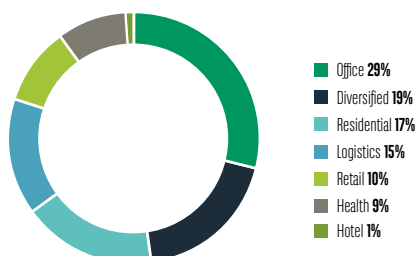
The weight of these 5 REITs in relation to the overall valuation of the portfolio is 34% as of 31 December 2022, compared to 31% as of 31 December 2021.

BREAKDOWN OF LISTED REITS SECURITIES BY COUNTRY (as a % of the value of the component)



Source: BNP Paribas REIM France

BREAKDOWN OF LISTED REITS SECURITIES BY TYPE (AS OF 30/12/2022)



Source: BNP Paribas REIM France

In addition, listed REITs in United Kingdom are now the most represented in the listed REITs securities portfolio, with a valuation of nearly 25% of the value of the portfolio, while French listed REITs now account for 23% of the portfolio.

MANAGEMENT ANALYSIS OF LISTED REITS SECURITIES

"The European listed real estate sector fell by 37% in 2022 (change in the benchmark index of your OPCI, EPRA Europe net), largely underperforming European general equities index (such as CAC 40 and Eurostoxx 50). This decline, unprecedented since the 2008 financial crisis, has erased the rebound recorded by the sector since the health crisis in March 2020.

The listed REITs sector was mainly penalised this time by the sharp rise in interest rates in the first half 2022 and the change in central banks policy, more aggressive with policy rates increases; and by uncertainty on real estate assets valuations evolution following the same rate increase.

Statistical studies have shown a correlation almost perfect between changes in rates and in listed REITs stock prices in Europe in 2022, despite the still good level of operational performance, even progressing for commercial listed REITs.

This significant change in value in 2022 for listed REITs shares market now brings a significant drop in value between the stock price of these listed REITs and the valuation of underlying real estate assets, on average around 25%, a similar level to those experienced in 2008 and which seems excessive given the composition of these assets, the changes in the valuation of buildings expected in 2022 and 2023 and the sharp reduction of listed REITs debts between 2008 and 2022.

From a sectoral point of view, just like general markets, investors favor the most dropped in value sub-segments such as retail (especially shopping centres) to the detriment of segments with very high valuations levels at the end of 2021 such as logistics. From a geographical point of view, some markets have been more resilient like Switzerland, France and Spain. Investors have turned away massively from countries deemed to be more risky such as Sweden.

Despite a negative performance in 2022, the portfolio held by BNP Paribas DiversiPierre outperformed its benchmark, thanks in particular to the following contributions:

- The over-weighting in France and Spain, through securities from Klepierre (shopping centres) and Gecina (offices) in France; Immobiliara Colonial (offices) and Merlin Properties (diversified listed REIT) in Spain;
- The under-weighting of Switzerland, Sweden, Germany et United Kingdom, amplified by a selection of securities within these countries with over-weighted assets such as PSP Swiss Property (offices) in Switzerland, Hufvudstaden (diversified listed REIT) in Sweden or Grainger (residential rental), Unite Group (student residences) and Land Securities (diversified listed REIT) in the United Kingdom. In addition, there was a lack of exposure to some securities like Balder (diversified listed REIT) in Sweden, Tag (rental residential) or Aroundtown (diversified listed REIT) in Germany, which have significantly underperformed within the universe.

All this helped to offset the below-average performance of some over-weighted securities such as Segro (logistics) in United Kingdom or Castellum (diversified listed REIT) and Fabège (offices) in Sweden. It should also be noted that the adverse impact of under-weighted or not held in the portfolio such as Eurocommercial Properties (shopping centres) in The Netherlands, Befimmo (offices) in Belgium (the company was acquired at the beginning of the year by Brookfield) or Deutsche Euroshop (shopping centres) in Germany (the company was acquired by an investor consortium in May).

Moreover, the ESG score of the portfolio is 66.40/100 compared to 58.97 for its reference index. We also note that we work with listed REITs by explaining our rating process and we ensure that these companies have or implement an engaging ESG policy."

**Anne Froideval – BNP Paribas Asset Management
Listed REITs Portfolio Manager for BNP Paribas DiversiPierre**

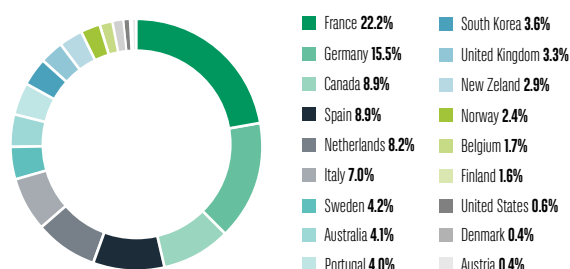
COVERED BONDS

The gross performance of the covered bonds portfolio (consisting of 109 values at the end of the year) held by the OPCI over the year 2022 amounts to -8.4%. In addition, the allocation is mainly composed of bonds with maturities of more than 3 years.

All covered bonds are denominated in Euro, therefore without currency risk, and that the investment universe is that of the benchmark index of the bond portfolio: the Bloomberg Barclays Euro Aggregate Securitized 500MM index, which includes bonds from the "securitized" sector (or "collateralised") at a fixed rate and of high "investment grade" quality.

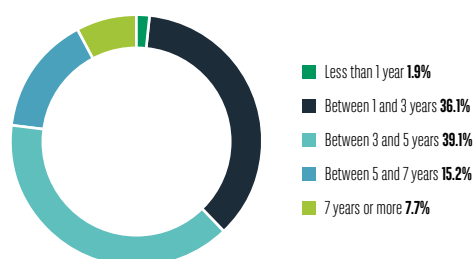
The following graphs are expressed as a % of the value of the covered bonds portfolio, excluding related liquidity.

BREAKDOWN OF COVERED BONDS BY COUNTRY



Source: BNP Paribas REIM France

BREAKDOWN OF COVERED BONDS BY MATURITY



Source: BNP Paribas REIM France

The financial assets held by the OPCI (listed REITs securities as well as covered bonds) make it possible to strengthen the geographical and sectoral diversification of the portfolio, since 42% of the selected financial assets are invested in European countries where BNP Paribas Diversipierre does not hold direct assets.

Regarding the portfolio of listed REITs securities, the majority of the companies selected (71% of the value of the portfolio) specialize in asset classes other than "office", a type of majority asset in BNP Paribas Diversipierre's real estate portfolio, and in particular in the residential sector in Germany or logistic assets.

MANAGEMENT ANALYSIS OF COVERED BONDS

"2022 will remain like the end of an era of zero or negative interest rates and the major central bank's fight against higher than expected inflation and likely to remain high longer than initially anticipated. During the year, the European Central Bank (ECB) made its speech harder, following the example of the 50 basis points (0.50%) rise in July, which had been announced at 25 basis points a month earlier.

The increase subsequently reached historical levels of 75 basis points in September and October and 50 basis points in December, thereby ending the zero-rate period or negative. After the Governing Council on 15 December, interest rates on main refinancing operations, marginal lending facility and deposit facility increased respectively by 2.50%, 2.75% and 2.00%.

Rising policy rates and acceleration of inflation (from 7.2% in January to 10.7% in October according to OECD) have led to significant pressures on government bonds. The 10-year German Bund yield ended at the highest of the year, at 2.57% that corresponds to a rise of 275 basis points in twelve months. And the French treasury bills yield rose from 0.20% to 3.11% in 2022.

2022 was a record year for new issues of bonds hedged in Euro with a total volume of almost €200 billion. The change in policy the ECB marked a halt in central bank purchases, which was centralizing 40 to 50% of issues at the beginning of 2022 to an average of only 20% during the second half of the year.

In order to mitigate the effect of interest rates increases, two main actions were taken:

- The sale during February and March of nearly half of the bond portfolio. The proceeds of the sale was invested on certificate of deposit offering positive remuneration;
- Reducing sensitivity to changes in interest rates the residual portfolio through hedging instruments (futures).

As a result, the portfolio outperformed its reference index in 2022.

Moreover, following the rise in interest rates recorded in 2022, the average return of the covered bonds portfolio held by the OPCI is now 3.2% compared with a return close to 0 between 2014 and 2020, allowing - from 2023 - a greater contribution to the global performance of the Fund. And the ESG score of the portfolio is 64.4/100 compared to 59.4/100 for its reference index."

**Peter Benschop – BNP Paribas Asset Management
Covered Bonds Portfolio Manager for BNP Paribas Diversipierre**

CASH AND CASH EQUIVALENTS

The cash held directly by the OPCI BNP Paribas Diversipierre as of 31 December 2022 amount to €288,191,831.63 or 11.09% of net assets.

In Euros	31/12/2022	31/12/2021
Financial instruments of a liquid nature	13,760,958.87	34,615,849.53
Sovereign bonds or bonds maturing in <397 days	6,740,251.10	28,843,183.60
Money market instruments		
Treasury bills		
UCITS and AIFs invested in the previous three classes	7,020,707.77	5,772,665.93
Liquid assets	274,430,872.76	188,967,693.44
Demand deposits/Bank deposits	172,206,948.52	182,841,823.52
Term deposits	100,000,000.00	
Rents receivable and other operating receivables	2,223,924.24	6,125,869.92
Regulatory liquidity ratio (defined by Articles L.214-37 and R.214-100 of the French Monetary and Financial Code)	7.24%	8.79%

Source: BNP Paribas REIM France

DEBT AND LEVERAGE

On 31 October 2022, in the context of the "HEKA" portfolio acquisition, BNP Paribas Diversipierre set up a new mortgage bank financing, a portfolio indirectly held at 26%.

This new financing, jointly with CACIB and BNP Paribas, has the followed characteristics:

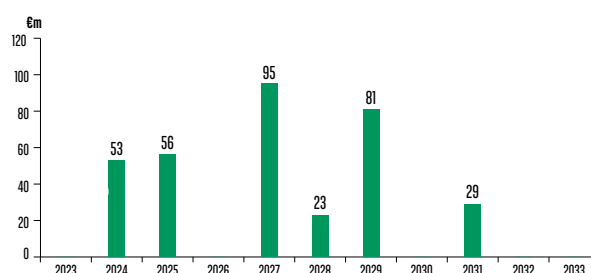
- Amount: €161.7m or a LTV of 40% (at 100%);
- A 5 years maturity;
- Full repayment at the end of the loan;
- Variable rate + hedging rate of 3.45%;
- Subscript hedge against an upfront fee payment equivalent to 4% of the loan amount.

As of 31 December 2022, the average cost of long-term mortgage financing is 1.51%, compared to 1.24% in 2021.

As of 31 December 2022, the whole long-term mortgage financings contracted by the OPCI or its subsidiaries and shareholdings are hedged or at fixed rates.

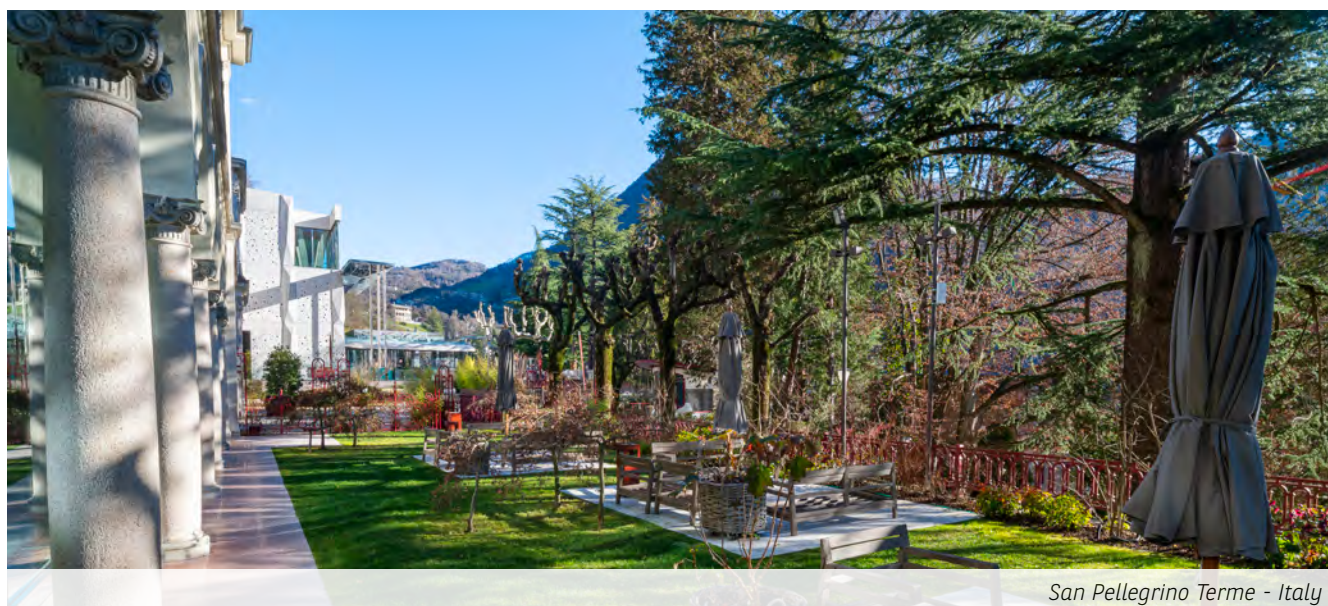
The maturity of the facilities are illustrated in the graph below:

LOANS MATURITY



The bank debt calculated below therefore takes account of:

- Existing bank debts in the OPCI's different subsidiaries, in proportion to the percentage of BNP Paribas Diversipierre's holding;
- The new mortgage financing set up in 2022.



San Pellegrino Terme - Italy

In euros	31/12/2022	31/12/2021
Total net debt	453,463,426	345,055,555
Long-term outstanding bank debt	336,463,426	294,979,374
EPL	52,770,422	53,332,828
Horizon	21,747,176	21,748,061
DVP Heron	56,073,500	56,075,133
Diversipierre Munich Hotels	22,500,000	22,500,000
DVP Deichtor	80,750,000	80,750,000
DVP Hoche	31,507,192	31,507,192
ID Cologne A1	17,836,280	17,832,000
ID Cologne A2	11,236,856	11,234,160
HEKA	42,042,000	,
Short-term outstanding bank debt	117,000,000	50,026,181
BNP Paribas Diversipierre	117,000,000	50,026,181
Nominal amount of rate hedging instruments		-
Or variable debt hedging rate (%)		-
Market value of real estate assets excluding fees and charges¹	2,248,917,461	1,884,084,423
Or loan-to-value ratio (including interest accrued not yet due) ² (%)	20.16%	18.30%
Leverage calculated by the commitment method³ (%)	117%	114%
Leverage calculated as per the gross method⁴ (%)	105%	102%

¹ Valuation of non-controlling interests in revalued NAV excluding any potential shareholder current account

² Following clarification from the AMF on the consideration of advances from external partners in the debt ratio, these were excluded from the calculation in 2020.

³ and ⁴ As defined by "AIFM" Directive 2011/61/EU, expressed as a percentage of net assets.

Source: BNP Paribas REIM France

In addition, Directive 2011/61/UE- the so-called AIFM Directive – introduced two new measures relating to the notion of leverage. Leverage refers to the use of debt to increase investment capacity and its impact on the return on capital invested. The delegated Regulation EU 231/2013 of 19 December 2012 (Articles 7 and 8) states that the AIFM leverage must be calculated according to two the first is called "gross", and the second is called "commitment".

The AIFM levers express the ratio between the vehicle's risk exposure, consisting of its assets, gross of leverage (debt and derivatives), on the one hand, and the revalued net assets for OPCI, on the other hand.

The exposure calculated according to the gross method excludes the cash in the assets of the OPCI and includes the absolute values of all derivatives entered into by the vehicle.

The exposure calculated according to the commitment method includes the cash in the assets of the OPCI and takes into account the netting effects that may exist between the vehicle's assets and the derivatives entered into to reduce the risk exposure.

As of 31 December 2022, BNP Paribas Diversipierre's AIFM leverage levels were 105% under the gross method and 117% under the commitment method.

For example, the AIFM leverage calculated using the commitments method for an OPCI that does not use debt equal to 100%, reflecting a neutral exposure. Conversely, leverage of more than 300% is considered substantial by the regulator.

TOTAL RISK

The method used by the Management company to calculate the overall risk of the SPPICAV is the commitment approach.

FINANCIAL ASPECTS

NET ASSET VALUE OF THE SPPICAV

As of 30 December 2022, the net asset value of the BNP Paribas Diversipierre OPCl stands at €117.49 per share.

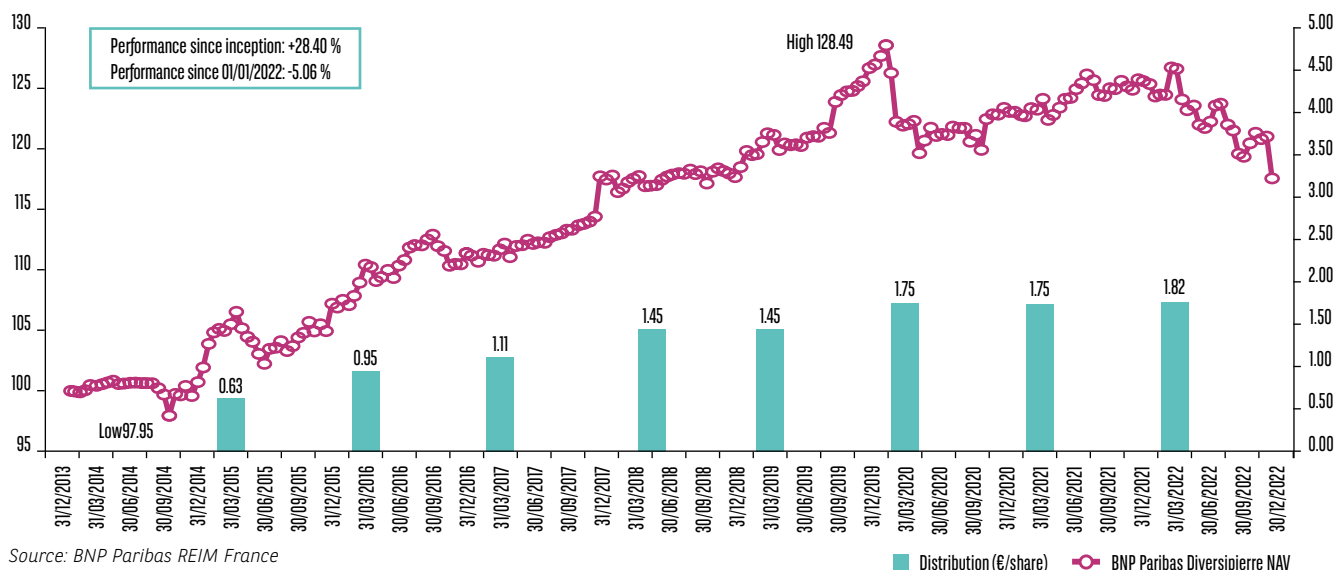
Changes in the NAV since 31 December 2021 takes account:

- Variations in the value of the real estate assets on a like-for-like basis;
- Variations in the value of the real estate assets acquired in 2022 compared to their acquisition prices;

- Variations in the value of the financial products held (primarily shares of listed REITs and covered bonds);
- Income received by the BNP Paribas Diversipierre SPPICAV and its subsidiaries, as a result of its investments in real estate assets and financial products;
- Expenses incurred by the OPCl during the financial year.

The graph below shows the changes in the net asset value of the BNP Paribas Diversipierre OPCl since its creation:

GRAPH SHOWING HISTORY OF NAV CHANGES



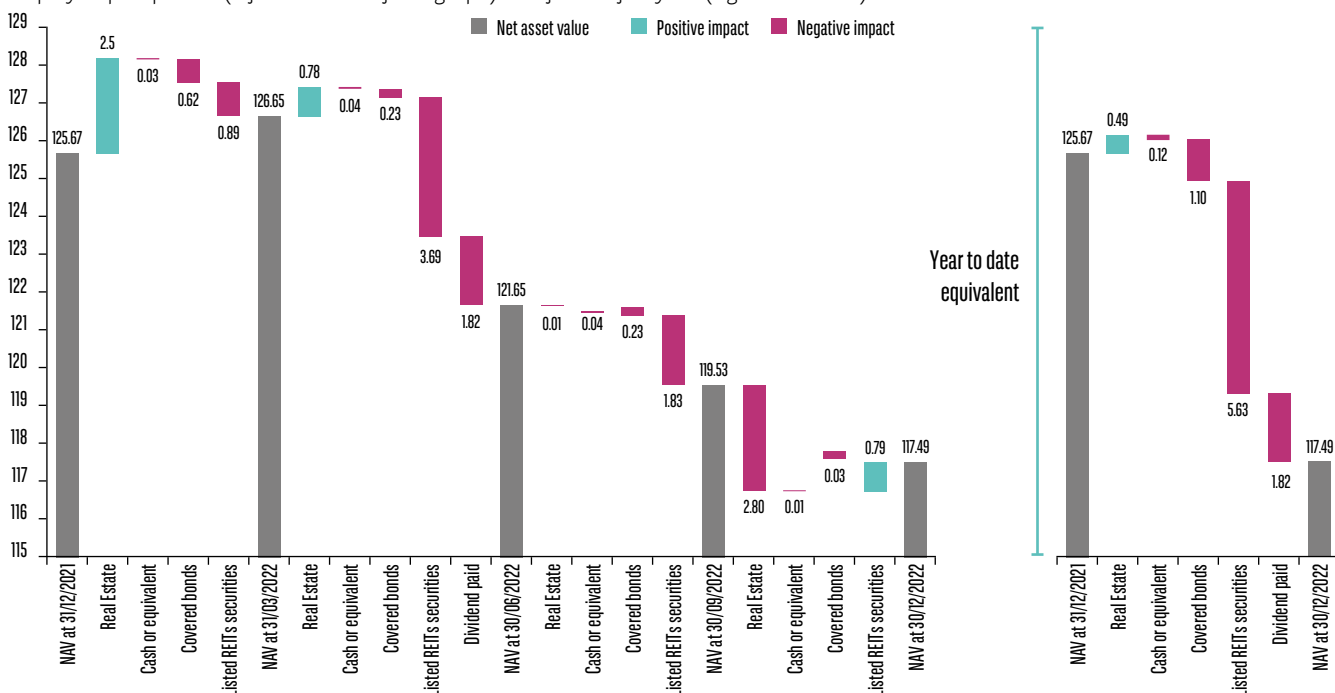
Source: BNP Paribas REIM France

BNP Paribas Diversipierre distributed a 2022 dividend of €1.82 per share in April 2022 (in accordance with the decision of the Annual General Shareholders' Meeting of 28 April 2022).

The OPCl performance¹⁷, including dividend, is therefore established at -5.06% for the financial year 2022 and at +28.40% over the last 8 years, i.e. since the vehicle was created.

GRAPH EXPLAINING CHANGES IN THE ANNUAL NAV DURING 2022

The graph below illustrates the contribution on annual performance of each asset class to which BNP Paribas Diversipierre is exposed, displayed per quarter (left-hand side of the graph) and for the full year (right-hand side):



Source: BNP Paribas REIM France

¹⁷ Performance = $\frac{\text{Net asset value per share at the end of the period} + \text{dividends paid over the period} - 1}{\text{Net asset value per share at the start of the period}}$



FACTORS EXPLAINING PERFORMANCE

- BNP Paribas Diversipierre's real estate physical assets made a positive contribution to performance in 2022, despite the impact of portfolio valuations over the year. The portfolio contributed of up to + €0.49 per share.
- Shares of listed REITs were more affected by the context of rising interest rates and by the geopolitical crisis. Its contribution is negative, i.e. -€5.63 per share.
- Covered bonds were also largely affected by rates. However, this impact was limited by management decisions (selling almost 50% of the portfolio during first quarter and reducing sensitivity). Thus, the negative impact was limited to -€1.10 per share.

- Finally, the dividend paid in April 2022 (in accordance with the decision of the Annual General Shareholders' Meeting of 28 April 2022) contributed negatively to the face change of the net asset value of the OPCI with an impact of -€1.82 per share.

It should be noted that, for the purposes of this analysis, the overheads paid by BNP Paribas Diversipierre are broken down in proportion to the weighting of each asset class in the Fund's total assets.

CHARGES AND FEES

Fees table (amounts in €)	31/12/2022	31/12/2021
Custodian's fees	668,612	571,761
Appraiser fees	197,174	179,834
Management fees	29,101,799	27,438,970
Total recurring expenses	29,967,585	28,190,565
% of net assets at the end of period	1.15%	1.11%
Other overheads	7,025,500	5,095,688
Total overhead costs	36,993,085	33,286,253
% of net assets at the end of period	1.42%	1.31%
Total property costs	11,692,138	14,188,480
% of net assets at the end of period	0.45%	0.56%
Investment fees	5,035,850	2,033,399
% of the price of buildings acquired*	1.03%	1.38%
Other acquisition costs	14,289,313	1,114,398
Total acquisition costs	19,325,163	3,147,796
% of price excl. transfer taxes of buildings acquired	3.94%	2.13%
Arbitrage fees	1,246,759	376,622
% of the price of buildings sold*	1.00%	0.97%
Other disposal costs	682,086	1,115,885
Total disposal costs	1,928,845	1,492,507
% of price excl. transfer taxes of buildings sold	1.55%	3.85%
Net Assets	2,598,107,658	2,544,126,427
Price of buildings acquired*	490,929,977	147,643,152
Price of buildings sold*	124,675,908	38,778,088

* Excluding transfer taxes and (i) at 100% of value for off-plan (ii) of up to capital calls of non-controlling interests.

This statement shows (i) the acquisition costs directly borne by the SPPICAV BNP Paribas Diversipierre, as well as by its subsidiaries, where applicable in proportion to their holdings (48.2% for EPL, 50% for Concepto, 33.33% for Horizon, 11.76% for PowerHouse, 9.17% for OREP#1, 30% for FREYPROP, and 45% for ID Cologne A1/A2) (ii) the overheads and property costs directly borne by the SPPICAV BNP Paribas Diversipierre, as well as by its subsidiaries, except for non-controlling interests.

BUSINESS OUTLOOK 2023

After a 2022 year marked by a general decline in financial markets and an increase in interest rates, the OPCI aims in 2023 to reallocate its capital to the asset classes that are currently under-represented in order to get the financial allocation close to its "target" by the end of the year.

Your OPCI should now benefit from a rate environment allowing to obtain better returns from real estate investments, as well as from its liquidities (with positive returns on its investment which represented a financial charge until 2022) and its bond assets (with an average portfolio return of 3.15% at the end of December 2022 vs -0.04% a year earlier). Finally, the sharp declines recorded on listed REITs shares in 2022 now provide an entry point considered as attractive in light of reduction of stock price compared to the NAV.

SIGNIFICANT EVENTS AFTER PERIOD END

On 13 January, your OPCI finalised the sale of the asset located 4-6, rue Leroux in Paris. This building acquired off plan in 2016 was rent to Bridgestreet, which went into administration in 2020 during the pandemic.

Since the beginning of 2023 and at the end of January, your OPCI has posted a performance of +1.16%, due in particular to a significant positive contribution of listed REITs following a rebound on financial markets in 2023.



The Hype - Brussels - Belgium



Tanger - Barcelona - Spain

INTERNAL CONTROL AND RISK MANAGEMENT

RULES OF GOOD PRACTICE AND PROFESSIONAL CONDUCT APPLICABLE TO ALTERNATIVE INVESTMENT FUND MANAGEMENT COMPANY ("AIFM")

INTERNAL CONTROL ENVIRONMENT

REGULATORY SOURCES

As a Portfolio Management company approved by the Autorité des Marchés Financiers (AMF), BNP Paribas REIM France ("REIM France") is subject to specific legal and regulatory provisions in terms of internal control, the sources of which are as follows:

- The General Regulations of the Autorité des Marchés Financiers (AMF, French regulator) contained in Books III and IV thereof;
- The French Order of November 3rd, 2014 on the internal control of companies in the banking sector, transposing the governance and internal control provisions of European Directive 2013/36/UE (CRD IV Directive) into French law;
- The Code of Conduct of BNP Paribas Group and the codes of Ethics of the professional associations it belongs to (AFG and ASPIM);
- All operational and Compliance procedures in place at REIM France.

ORGANIZATIONAL PRINCIPLES

The organizational principles for the internal control system at REIM France are:

- **Completeness of the internal control scope of application:** which applies to risks of all types and all activities undertaken by REIM France, without exception. It extends to the outsourcing of essential activities, such as those entrusted to Property Managers. Compliance with these principles is checked regularly, specifically through investigations conducted by the Inspection Générale. This coverage of risks and activities is summarized in mapping that is subject to, as a minimum, an annual review;
- **The responsibility of operational staff:** the Permanent Control is integrated into the operational structure, under the direct responsibility of the operational and functional teams. Each manager, at their own level, is required to ensure effective control of the activities for which they are responsible;
- **An accurate definition of functions and tasks,** specifically through the formalization of detailed job specifications and the assessment of their application via an annual appraisal interview;
- **The separation of tasks, specifically in terms of commitment and control:** this takes place specifically between the origination and performance of transactions, their recording, their settlement and their monitoring; it is also reflected by the introduction of independent specialist functions and a clear separation between the different lines of defense;
- **The formalization and maintenance of a set of procedures.** These procedures are made available to all employees through a computer database;
- **The existence of a control system,** comprising the permanent control (known as first level and second level) and the periodic control (known as third level – Inspection Générale of BNP Paribas);

- **The holding of an Internal Control Committee ("ICC"),** whose main objective is to state the internal control procedures and processes and the problems encountered/treated at least once every six months. The board members of REIM France, as well as the Compliance, Risk, Legal and Permanent control functions of BNP Paribas Real Estate participate to these committees;
- **The implementation and testing of the business continuity plan (BCP).**

INTERNAL CONTROL SYSTEM

THE INTERNAL CONTROL SYSTEM: THE THREE-LINE OF DEFENSE MODEL

To incorporate internal control within REIM France, a "three-line of defense" model has been implemented. Within this governance structure, the three lines of defense work closely together in providing advice and support each other in order to mitigate the risks which have an impact on the organization and business.

The REIM France internal control framework is in compliance with the BNP Paribas Group's guidelines.

THE FIRST LINE OF DEFENSE

The first line of defense is responsible for the permanent control framework in order to cover the risks to which REIM France is exposed. This is overseen by the operating teams and their line managers. The first line of defense's role is:

- To draw the risk mapping, yearly updated, in which operational risks are identified and evaluated;
- To establish the so called plan for "major controls" or "Fundamental Monitoring Points" (FMP). This control plan is updated each year alongside with the update of the risk mapping;
- To manage major controls and create action plans in case anomalies are identified;
- To draft operational procedures related to the different activities;
- To implement recommendations given by the second and third lines of defense;
- To declare, manage and monitor operational risk incidents (past incidents). These are reported to the Permanent Control function of BNP Paribas Real Estate, which is responsible for entering them into a dedicated BNP Paribas Group tool; and;
- To raise early warnings on risk management to REIM France's Executive Board.

For each "FMP" control, a methodology determines the frequency, scope, and the test sample, as well as the operational staff responsible for performing it with a specific control grid. The controls are carried out by a person independent from the operational teams, to comply with the BNP Paribas Group guidelines and are formalized in a dedicated grid.

The first line of defense contributes to risk reporting within the framework of the Internal Control Committees ("ICC"), which meet at least once every six months.



THE SECOND LINE OF DEFENSE

The second line of defense is comprised of two functions, independent from each other and independent from the operational teams from a hierarchical and functional perspective:

■ The Risk Management function, including Operational Risk and Control:

Under the responsibility of the Risk Manager, this function oversees the operational and financial risks control framework.

To ensure his independence, the Risk Manager reports to the Chairman of the Executive Board of REIM France and to the Head of Risk Management at BNP Paribas REIM.

His main tasks are the following:

1. Ensure compliance, by the operational teams, with internal and Group's procedures and guidelines;
2. Undertake a critical review of the financial risks (liquidity, counterparty, credit and market risks) identified by the first line of defense for each fund under management. The Risk Manager is responsible for monitoring the implementation of these risk-mitigation measures. As part of liquidity management, the Management company has implemented a regular monitoring process, including the completion of "liquidity stress tests", in both normal and exceptional market conditions, and "market stress tests". Stress tests are performed at least annually, taking into account parameters such as the legal nature of the fund, possible redemptions of shares, obligations related to the fund's liabilities or the constraints associated with the property acquisitions or disposals;
3. Report both to the REIM France's Executive Board and BNP Paribas Real Estate Risk function on a regular basis, as well as to the REIM France's Supervisory Board.

The quantitative and qualitative limits set to manage financial risks do not show any excess or abnormal risk level at the end of 2022 financial year. But it should be noted that the regulatory ratio for holding OPCI shares or similar has been exceeded since the beginning of 2022. Once detected, the Management company reported it to the AMF ("Autorité des marchés financiers" in French), as well as a remediation plan based on the sale of two assets held by an Italian fund. These sales occurred during 2022 financial year and the distribution of the corresponding proceeds, planned in February 2023, is supposed, subject to the evolution of other values of assets, to meet again the regulatory limit of this ratio.

■ The Compliance function:

Under the supervision of the Head of Compliance and Internal Control, the Compliance function is structured around the following topics:

1. Prevention of money-laundering and financing of terrorism; as well as respect of international financial sanctions;
2. Protection of interests of clients;
3. Preventing and managing conflicts of interests;
4. Professional conduct;
5. Fight against corruption;
6. Markets integrity.

All these topics are detailed in the Compliance procedures and the BNP Paribas Group Code of Conduct, which applies to all staff. Training on these rules is delivered as a matter of course whenever they are updated or whenever there are new hires at REIM France.

To ensure his independence, the Head of Compliance and Internal Control reports to the Chairman of the Executive Board of REIM France and to the Head of Compliance at BNP Paribas Real Estate.

His main tasks are the following:

1. Monitor and assess the adequacy and the efficiency of the Compliance procedures and processes in order to identify any risks all risks of non-compliance with professional standards of REIM France;

2. Provide advice and support to Board members and operational teams;
3. Report both to the REIM France's Executive Board and BNP Paribas Real Estate Compliance function on a regular basis, as well as to the REIM France's Supervisory Board.

The Risk and Compliance functions (second line of defense) contribute to the risk reporting within the Internal Control Committee ("ICC") framework.

THE THIRD LINE OF DEFENSE

Regular monitoring (Level 3 checks) is carried out retrospectively by the General Inspection of the BNP Paribas group and is used to evaluate the risk management, controls, and corporate governance processes and their compliance with laws and regulations, as well as to issue recommendations for improving their effectiveness. It works by managing:

- Assurance assignments that lead to the issuing of observations and recommendations;
- Special' assignments establishing facts and responsibilities following suspicious or fraudulent transactions;
- And study and research assignments, designed to assess – at the earliest opportunity – the risks and threats to which the Group may be exposed.

The third line of defense provides reasonable assurance to the REIM France's Executive Board and the Fund's Supervisory Board on how effective the Management company's methods for assessing and managing risks, notably with the assessment of effectiveness of the two first lines of defense.

BNP PARIBAS REIM FRANCE REMUNERATION POLICY

In accordance with AIFM Directive 2011/61/UE of 08/06/2011 regarding Alternative Investment Fund Managers (AIFM), the Management company has implemented a compensation policy applicable to employees whose duties are likely to influence the risk profile of the Management company or of managed AIF.

The compensation policy has been reviewed at the business line level as well as the identification of risk takers. Considering the analysis of these functions, an average of 15 employees was identified in 2022 as risk takers.

BNP Paribas REIM France applies some proportionality principles provided for in this directive:

- **Governance:** investment and disposal real estate decisions are taken collectively through the validation of an investment and disposal committee, and not at the initiative of an AIF Fund Manager;
- **The nature and complexity of the Management company activity:** BNP Paribas REIM France exclusively manages noncomplex products (SCPI, OPCI, OPCCI FIA) and by topic,
- **The level of the variable compensation of employees.**

In accordance with article 5 of the 2019/2088 regulation known as Sustainable Finance Disclosure (SFDR), the remuneration policy includes risks regarding sustainability.

The Compensation Committee, established by BNP Paribas Real Estate, a shareholder of BNP Paribas REIM France, has the duty to assess remuneration policies and practices and the incentives created for managing risk. It is held at least once a year.

The total remuneration paid by BNP Paribas REIM France for fiscal year 2022 represented €19,118,167 for an average workforce of 211 FTEs (including €15,606,534 of fixed part and €3,511,633 of variable part).

BNP Paribas REIM France devoted a budget of 23% of total payroll to risk takers (18% of fixed pay and 47% of the total variable compensation of the company).



TABLE OF DIVIDEND PAYMENTS MADE OVER 2022

In euros	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total
Dividend per share	-	1.82	-	-	1.82
Total distributions before accruals	-	36,496,538.97	-	-	36,496,538.97
Total distributions (including accruals)	-	38,066,336.48	-	-	38,066,336.48

The balance of the 2021 dividends amounting to €38,066,336.48 (including accruals) was distributed in the second quarter of 2022.

TABLE OF RESULTS OVER THE FIVE PREVIOUS FINANCIAL YEARS

In euros	2022	2021	2020	2019	2018
Financial position at the end of the financial year					
Share capital	2,455,544,639	2,408,148,386	2,176,821,674	1,900,178,864	1,318,657,118
Number of shares issued	22,079,272	20,243,005	18,449,723	15,691,585	11,679,357
Number of convertible bonds	-	-	-	-	-
Comprehensive income from current transactions					
Revenue excluding tax	-	-	-	-	-
Earnings before tax, amortisation and provisions	30,781,393	63,579,408	29,174,536	35,161,990	20,415,819
Tax on earnings	-	-	-	-	-
Income after tax, amortization and provisions	30,781,393	63,579,408	29,174,536	35,161,990	20,415,819
Amount of distributed profits ¹	40,184,275	36,842,269	32,287,015	27,460,274	16,935,067
Income from transactions per share					
Earnings after tax, but before amortisation and provisions	1.3941	3.1408	1.5813	2.2408	1.7480
Earnings after tax, amortization and provisions	1.3941	3.1408	1.5813	2.2408	1.7480
Dividends paid per share ¹	1.82	1.82	1.75	1.75	1.45
Staff					
Number of employees	-	-	-	-	-
Total payroll amount	-	-	-	-	-
Amounts paid as employee benefits	-	-	-	-	-

¹ Including advance payments and subject to the general meeting to approve the financial statements for the financial year ended.

ANNUAL FINANCIAL STATEMENTS 2022

ASSETS

In euros	31/12/2022	31/12/2021
Immovable assets¹	2,270,344,848.77	2,122,179,580.59
Buildings under construction, constructed or acquired property and real rights ²	-	-
Leasing contracts	-	-
Partnership shares – Article L.214-36-2	2.92	3.06
Units and shares of companies – Article L.214-36-3	601,813,552.49	556,135,886.11
Shares traded on a regulated market – Article L.214-36-4	250,486,638.16	367,958,960.34
Undertakings for collective investment in real estate (OPCI) and equivalent foreign undertakings – Article L.214-36-5	358,022,988.96	358,355,220.75
Lease down-payment	-	-
Other immovable assets ³	1,082,737,316.83	839,729,510.33
Non-property deposits and financial instruments	272,658,348.59	391,548,672.83
Deposits	100,000,000.00	-
Equities and equivalent securities	-	-
Bonds and equivalent securities	165,637,640.82	385,776,006.90
Debt securities	-	-
Open-ended undertakings for collective investment (UCITS and general-purpose investment funds)	7,020,707.77	5,772,665.93
Temporary transactions on securities	-	-
Financial contracts	-	-
Rental receivables	-	-
Other receivables	2,840,709.58	6,125,869.92
Demand deposits	172,098,497.88	182,841,823.52
Total assets	2,740,658,055.41	2,702,695,946.86

¹ Buildings constructed or acquired by the OPCI, immovable assets defined in paragraphs 1–5 of Article L.214-36 of the French Monetary and Financial Code and other related assets (current account advances, deposits, and sureties paid).

² Including movable property as defined in Article 113-2 of ANC Regulation 2016-06 of 14 October 2016.

³ Includes current account advances and deposits and sureties paid.

LIABILITIES

In euros	31/12/2022	31/12/2021
Shareholders' equity (= net assets)	2,594,454,526.99	2,544,126,427.15
Capital	2,455,544,639.14	2,408,148,386.39
Net capital gains carried forward ¹	54,689,789.07	32,360,212.31
Carry-forward of previous net profit/loss ¹	53,438,705.54	40,038,420.57
Profit/loss for the financial year ¹	30,781,393.24	63,579,407.88
Advances paid during the financial year ¹	-	-
Provisions	22,715,650.59	-
Financial instruments	-	-
Sale transactions	-	-
Temporary transactions on securities	-	-
Financial contracts	-	-
Debts	123,487,877.83	158,569,519.71
Payables to credit institutions	117,008,272.33	50,080,205.72
Other loans	-	-
Security deposits received	-	-
Other operating liabilities	6,479,605.50	108,489,313.99
Total liabilities	2,740,658,055.41	2,702,695,946.86

¹ including adjustment account



INCOME STATEMENT

In euros	31/12/2022	31/12/2021
Income from property business		
Property income	-	-
Income from units and shares of immovable entities	29,795,638.35	32,858,818.58
Other income associated with immovable assets	33,147,282.76	30,302,457.85
Total I	62,942,921.11	63,161,276.43
Expenses associated with property business		
Property expenses	-	-
Expenses on units and shares of immovable entities	-	-
Other expenses on immovable assets	-	-
Loan expenses associated with immovable assets	-	-
Total II		
Profit/loss on property business (I-II)	62,942,921.11	63,161,276.43
Income from financial transactions		
Income on non-property deposits and financial instruments	1,160,985.70	1,841,268.22
Other financial income	249,026.06	479,268.35
Total III	1,410,011.76	2,320,536.57
Expenses on financial transactions		
Expenses on non-property deposits and financial instruments	-	-
Other financial expenses	-2,362,892.45	-2,113,508.41
Total IV	-2,362,892.45	-2,113,508.41
Profit/loss on financial transactions (III-IV)	-952,880.69	207,028.16
Other income (V)	1,179.95	-
Management and operating costs (VI)	-21,881,691.26	-20,007,781.07
Other expenses (VII)		
Net income (under Article L. 214-51) (I-II+III-IV+V-VI-VII)	40,109,529.11	43,360,523.52
Income from sales of assets		
Net capital gains on immovable assets	18,143,418.16	34,999,993.14
Gains made net of expenses on non-property financial instruments and deposits	8,313,122.15	627,169.74
Total VIII	26,456,540.31	35,627,162.88
Expenses on sales of assets		
Net capital losses on immovable assets	-23,256,186.69	-15,533,509.74
Net capital losses from non-property deposits and financial instruments	-13,963,927.39	-2,793,637.45
Total IX	-37,220,114.08	-18,327,147.19
Income from disposals of assets (VIII-IX)	-10,763,573.77	17,300,015.69
Profit/loss for the financial year excluding accruals and deferred income (I-II+III-IV+V-VI-VII+VIII-IX)	29,345,955.34	60,660,539.21
Accruals and deferred income (X)	1,435,437.90	2,918,868.67
Profit/loss for the financial year (I-II+III-IV+V-VI-VII+VIII-IX+/-X)	30,781,393.24	63,579,407.88

SIGNIFICANT EVENTS DURING THE PERIOD

The year 2022 was marked by the military conflict between Russia and Ukraine, which began on 24 February 2022. This event destabilized world markets and in particular those of energy.

The increase in policy rates by the main central banks around the world, in response to the sharp rise in inflation, was a negative factor for the valuation of real estate assets.

DVP EUROPEAN CHANNEL has signed a warrant to invest in the OREP fund managed by OSAE, the first call capital was settled on 09/01/2021. As of 31 December 2022, the amount called is €18,244,216.83 out of a total commitment of €20,000,000. The commitment of the OREP fund is €148.85m, with our commitment of €20.00m representing 9.26% of commitments.

As of 17 January 2022, acquisition of a residential asset in Hamburg in Germany for a volume of €62,500,000 by a new company DVP GERMAN RESI GmbH 100% owned by DVP Germany GmbH, itself 100% owned by SAS Diversipierre DVP1, itself 100% owned by BNP Paribas Diversipierre. The asset was financed by a subscription to the DVP GERMANY capital of the SAS DVP1 for €36,160,000 and a capital subscription from DVP GERMANY to DVP GERMAN RESI for €35,970,000.

As of 31 January 2022, acquisition of an hotel in Hamburg in Germany for a volume of €55,850,000 by a new DVP GERMAN RESI GmbH 100% owned by DVP Germany GmbH, itself 100% owned by SAS Diversipierre DVP1, itself 100% owned by BNP Paribas Diversipierre. The asset was financed by a subscription to the DVP GERMANY capital of the SAS DVP1 for €27,380,000 and a capital subscription from DVP GERMANY to DVP GERMAN RESI for €37,380,000.

As of 15 April 2022, sale of the MAZZINI asset held by Concepto for an amount of €114,139,434.

A capital increase of DVP EUROPEAN CHANNEL by current account compensation took place on 13 May 2022 for an amount of €58,424,010.

An operation to provide the securities of Sàrl Grand Rue Property Investissement of BNP Paribas Diversipierre to SAS

DVP EUROPEAN CHANNEL took place on 30 June 2022.

As of 4 July 2022, acquisition of the new residential building in Vienna, Austria, for a price of €20,000,000, of which €6,000,000 were paid on 4 July 2022. This acquisition is a share-deal, an Austrian entity Vanami GmbH was created as well as the company holding the LAX151 asset. Vanami GmbH is 100% owned by SAS DVP EUROPEAN CHANNEL, itself 100% owned by BNP Paribas Diversipierre.

Two PowerHouse capital increases have taken place, one on 21 July 2022 for €3,425,000, a second on 25 November 2022 for €4,680,800.

On 3 August 2022, acquisition of an asset in Italy in San Pellegrino for an amount of €40,800,000, this asset is held by Hydra Fund, 100% owned by BNP Paribas Diversipierre. As of 20 October 2022, acquisition of Club Med La Rosière for €121,300,000 by SAS DVP ALPAGES 1950, 100% owned by BNP Paribas Diversipierre.

As of 16 November 2022, subscription to the capital of SAS HEKA MASTER HOLD for 26%, i.e. a total amount of €47,799,620 out of a total value of shares of €183,865,000.

As of 29 December 2022, sale of the Tortona asset in Italy held by Concepto for an amount of €133,320,000.

As of 31 December 2022, acquisition of a logistics platform in Italy for an amount of €86,500,000, this asset is owned by DVP Vigasio, itself 100% owned by DVP EUROPEAN CHANNEL, itself 100% owned by BNP Paribas Diversipierre.

ACQUISITIONS AND DISPOSALS AS OF 31/12/2022

As of 13 January 2023, the Leroux asset held by DVP1 and Magellan was sold for an amount of €29,347,851.18 for DVP1 and €1,103,148.42 for LE MAGELLAN. Creation of a new SPV in progress named DVP FR Logistiques, which will hold the future logistics assets of BNP Paribas Diversipierre in France, the acquisition is planned for the first quarter of 2023.

1. ACCOUNTING PRINCIPLES, RULES AND METHODS

General accounting conventions applied, comply with the following principles:

- Prudence;
- True and fair view, comparability, operational continuity;
- Consistency of accounting methods from one financial year to the next;
- Independence of financial years.

The financial statements are prepared in accordance with the provisions of the ANC Regulation N° 2016-06 of 14 October 2016 amending ANC Regulation N° 2014-06 of 2 October 2014 on the accounting rules applicable to property mutual funds.

The accounting reference currency for the BNP PARIBAS DIVERSIPIERRE SPPICAV is in Euro.

Income from financial instruments is recorded using the coupon method. Acquisitions and divestitures of real and financial assets are counted as excluded fees.

The financial year last a period of 12 months recovers a period from 1 January 2022 to 31 December 2022.

The balance sheet total stands at €2,740,658,055.41.

The result is a net accounting profit of €30,781,394.24

The portfolio's value is updated each time the net asset value is calculated, and at the end of the accounting period, using the following methods:

REAL ESTATE ASSETS

1-Cases of real property and rights held directly by the SPPICAV or by the companies it holds directly or indirectly and which comply with the conditions laid down in article R. 214-83 of the French Monetary and Financial Code.

The Management company assesses the real estate assets, buildings or rights held directly or indirectly by SPPICAV at each net asset value Determination Date. This valuation is performed at fair value. Thus, the Management company fixes at each net asset value, under its responsibility, the value of each real estate asset held.

The Management company is based on the work carried out by two real estate appraisers (referred to as A and B) appointed on behalf of SPPICAV for a renewable period of four years and with whom it has laid down the framework for their work in advance.

The value of real estate assets and real estate or rights held directly or indirectly is determined at least four times a year and three months apart, one of the appraisers establishing the value of the asset (appraiser A) and the other critically examining the value (appraiser B).

As part of its mission, Appraiser A performs for each asset, on a quarterly basis, a real estate appraisal followed by three updates.

In the following year, assessors A and B reversed their role and so on up to and including the fourth year.

The differences between the Management company's valuation of real estate assets and that determined quarterly by the two assessors are mentioned in the periodic information documents and the annual report and are documented.

It is stated that the valuation of the units and shares not traded on a regulated market held by SPPICAV will be based essentially on the valuation of the underlying buildings, in a manner consistent with the valuation of the buildings held online.

The shares of SCPI are valued on the basis of the withdrawal price or the last delivery price at the date of valuation.

2-Cases of property and real rights held by companies directly or indirectly owned by the SPPICAV and which do not comply with the conditions laid down in article R. 214-83 of the French Monetary and Financial Code.

In order to determine the value of non-controlled property holdings, the Management company uses information provided by the non-controlled company.

In accordance with article 422-165 of the AMF general regulations, the real estate appraiser conducts a critical examination of the valuation methods used by the Management company.

It is specified that, in the context of non-controlled holdings, the Management company may not have access to all the elements it needs to precisely determine the revalued net assets of these holdings. The Management company is therefore able to use the latest available information, namely the appraisal values provided, or the share price referred to, in the case of a capital increase or an over-the-counter transfer.

To determine the value of real property and rights held indirectly by the companies mentioned in paragraphs 2 and 3 of article L. 214-36 of the French Monetary and Financial Code which do not meet the conditions set out in paragraphs 2 and 3 of article R. 214-83 of the French Monetary and Financial Code, the appraiser's role consists of a critical review of the valuation methods used by the Management company to determine the value, and the relevance, of the asset. This examination takes place at least four times a year, at three-month intervals.

The valuation used for real estate assets and securities of real estate companies held has been established in accordance with the provisions described in the SPPICAV prospectus. It may not reflect, in one way or another, the potential of these assets and the possible evolution of their value over the life of SPPICAV, which naturally responds to market conditions, transaction volumes and the economic context. There could be a gap between the valuations used, whose estimates made by the management company and the experts are made more difficult in the present context, and the prices at which sales would actually be made. The net asset value is the result of the allocation of the Net book value at the balance sheet date. It shall be drawn up in accordance with the provisions of the prospectus.

FINANCIAL ASSETS

The Management company values the financial assets of the SPPICAV on each net asset value calculation date according to the following terms:

- Financial instruments traded on a French or foreign regulated market are valued on the basis of the last known closing price on the net asset value calculation date;
- Negotiable debt securities and similar securities are assessed on an actuarial basis according to a reference rate defined below, plus, where applicable, a differential representative of the issuer's specific characteristics:
 - Negotiable debt securities whose maturity is less than or equal to 1 year: Interbank offered rate in euros (Euribor),
 - Negotiable debt securities with maturity greater than 1 year: standard annual interest rate (BTAN) or OAT (similar Treasury bond) with similar rates maturity for the longest terms,
 - Negotiable debt securities with a residual lifespan of less than or equal to 3 months are valued according to the straight-line method;
- Treasury bonds are valued at the market rate communicated daily by the Bank of France;
- Units or shares of UCITS and OPCIs are assessed on the basis of the last known net asset value on the valuation date;
- Transactions involving futures, firm or conditional financial instruments traded in French or foreign regulated markets shall be valued at market value in accordance with the arrangements adopted by the Management company (at the closing price);
- Futures, fixed or conditional transactions or trading transactions concluded in over-the-counter (OTC) contracts, authorised by the regulations applicable to OPCIs, are valued at their market value or at an estimated value according to the terms and conditions laid down by the Management company.

DEBT

The SPPICAV values the loans at the contractual value i.e. the remaining capital plus accrued interest. When it is highly probable that the loan will be repaid before maturity, the contractual value is determined by taking into account the contractually fixed conditions for early repayment.

OFF-BALANCE SHEET COMMITMENTS

The commitment related to fixed-term and conditional instruments is recognised in the underlying equivalent.

EXEMPTION FROM DRAWING UP CONSOLIDATED FINANCIAL STATEMENTS

SPPICAV BNP Paribas Diviersipierre is excluded from the preparation of consolidated financial statements, being consolidated in the financial statements of BNP Paribas SA.

2. CHANGE IN NET ASSETS

In euros	Financial year 31/12/2022	Financial year 31/12/2021
Net assets at the beginning of the financial year	2,544,126,427.15	2,275,086,299.27
Subscriptions (including subscription fees, duties and taxes paid to the OPCI)	283,747,526.45	247,496,516.58
Redemptions (after deduction of redemption fees paid to the OPCI)	-44,485,635.14	-22,081,572.07
Fees related to the acquisition (exclusion of fees method)	-1,410,683.19	-3,474,346.20
Exchange differences	-34,942.06	-
Change in the valuation differential for immovable assets	-162,226,370.54	27,610,728.41
· Valuation differential, financial year N	-67,530,181.30	94,696,189.24
· Valuation differential, financial year N-1	-94,696,189.24	-67,085,460.83
Change in the valuation differential for deposits and non-property financial instruments	-16,541,414.54	-8,649,591.39
· Valuation differential, financial year N	-19,817,975.83	-3,276,561.29
· Valuation differential, financial year N-1	3,276,561.29	-5,740,105.03
Dividends paid in the previous financial year ¹	-38,066,336.48	-32,522,146.66
Net income for the financial year before accruals and deferrals	29,345,955.34	60,660,539.21
Interim payments made during the financial year:		
· On net income ¹	-	-
· On disposals of assets ¹	-	0.00
Other items ²	-	-
Net assets at the end of the financial year	2,594,454,526.99	2,544,126,427.15

¹ Payments in accordance with Articles L.214-51 and L.214-69.

² None.

3. ADDITIONAL INFORMATION

In Euro

3.1. BUILDINGS UNDER CONSTRUCTION, CONSTRUCTED OR ACQUIRED AND REAL RIGHTS, UNITS OR SHARES OF UNLISTED COMPANIES, ARTICLES L. 214-36-2 AND 3

Breakdown of buildings under construction, constructed or acquired property and real rights

None as of 31 December 2022

Change in the current value of units and shares of unlisted companies, Articles L. 214-36-2 and 3

Change in the current value	Financial year 31/12/2021	Disposals	Acquisitions	Change in valuation differences	Financial year 31/12/2022
Shares of partnerships Article L. 214-36-2	3.06	-	-	-0.14	2.92
Shares and stocks of companies Article L. 214-36-3	556,135,886.11	109,736,926.68	205,695,604.68	-50,281,011.62	601,813,552.49
Total	556,135,889.17	109,736,926.68	205,695,604.68	-50,281,011.76	601,813,555.41

Units and shares of companies were estimated on the basis of their revalued net assets as of 31 December 2022.

Units and shares of companies were recorded exclusive of costs.

Breakdown of units and shares of unlisted companies by business sector

Business sector	Financial year 31/12/2022	Financial year 31/12/2021
Offices	338,095,213.71	422,459,536.07
Residential	78,148,670.92	63,315,832.77
Retail	60,855,508.95	70,360,520.34
Hotel	56,929,867.47	-
Nursing homes	45,068,643.77	-

3.2. OTHER IMMOVABLE ASSETS

Breakdown by type of other immovable assets recorded on the balance sheet

Type of asset	Financial year 31/12/2022	Financial year 31/12/2021
Shares traded on a regulated market	250,486,638.16	367,958,960.34
Undertakings for collective investment in property (OPCI) and equivalent foreign undertakings	358,022,988.96	358,355,220.75
Current account advances ¹	1,082,737,316.83	839,729,510.33
Deposits and guarantees paid	-	-
Other long-term receivables	-	-
Total	1,691,246,943.95	1,566,043,691.42

¹ Including accrued interest on current accounts and valuation differentials.

Current account advances	Amount ¹	Maturity date
SUBSIDIARIES		
SAS DVP1	269,067,717.66	28/02/2024
SAS LE MAGELLAN	11,217,733.84	28/02/2024
DVP GERMANY GMBH	14,468,114.32	31/12/2027
DVP MUNICH HOTELS	27,741,532.39	31/12/2028
DVP GERMANY ASSETS SENIOR	43,466,572.50	31/12/2028
DVP GERMANY ASSETS JUNIOR	13,500,000.00	31/12/2028
DVP HERON	9,660,374.00	22/12/2026
HORIZON DEVELOPPEMENT	5,908,292.56	31/12/2027
GRAND RUE	16,785,972.40	30/06/2027
EPL	32,048,180.00	16/09/2098
HOLDCO POWERHOUSE	14,129,150.03	22/12/2029
DVP GREEN CLOVER Senior	28,700,000.00	21/03/2029
DVP GREEN CLOVER Junior	10,900,000.00	21/03/2029
DVP EUROPEAN CHANNEL	19,736,022.90	06/11/2029
DVP EUROPEAN CHANNEL JUNIOR	51,039,351.65	03/12/2029
DVP EUROPEAN CHANNEL SENIOR	27,833,813.39	13/12/2029
DVP EUROPEAN CHANNEL GERMAN RESI	30,000,000.00	12/12/2031
DVP EUROPEAN CHANNEL TANGER	27,500,000.00	03/11/2031
DVP EUROPEAN CHANNEL VANAMI LAX 151	6,912,152.05	21/06/2032
DVP EUROPEAN CHANNEL GERMANY ASSET	27,377,500.00	21/06/2032
DVP EUROPEAN CHANNEL VIGASIO	60,750,000.00	14/12/2032
DVP EUROPEAN CHANNEL - CADUCEA HEKA	13,280,439.81	31/10/2023
DVP EUROPEAN CHANNEL - CAPREA HEKA	16,342,662.65	31/10/2023
DVP HAUSSMANN	165,751,529.56	27/11/2029
DVP DEICHTOR	56,050,000.00	10/12/2029
DVP ALPAGES 1950	66,268,964.00	10/10/2032
Total	1,066,436,075.71	

¹ Gross amount: this excludes accrued interest on current accounts and valuation differentials.

3.3. ITEMISED INVENTORY OF OTHER IMMOVABLE ASSETS, DEPOSITS AND NON-PROPERTY FINANCIAL INSTRUMENTS (OTHER THAN THE ASSETS COVERED UNDER PARAGRAPHS 3.1. AND 3.2.)

Description	Quantity	Listing currency	Valuation	% of average net
Other immovable assets			1,082,737,316.83	41.73%
AV CC SAS DVP1	269,067,717.66	EUR	269,067,717.66	
AV C/C LE MAGELLAN	11,217,733.84	EUR	11,217,733.84	
AV CC DVP1 GERMANY	14,468,114.32	EUR	14,468,114.32	
AV CC DVP MUNICH HOTELS	27,741,532.39	EUR	27,741,532.39	
AV C/C DVPG ASSETS SENIOR	43,466,572.50	EUR	43,466,572.50	
AV C/C DVPG ASSETS JUNIOR	13,500,000.00	EUR	13,500,000.00	
AV C/C SARL HERON PARK	9,660,374.00	EUR	9,660,374.00	
AV C/C HORIZON DEVELOPPEMENT	5,908,292.56	EUR	5,908,292.56	
AV C/C GRAND RUE	16,785,972.40	EUR	16,785,972.40	
AV C/C EPL	32,048,180.00	EUR	32,048,180.00	
AV C/C HOLDCO POWERHOUSE	14,129,150.03	EUR	14,129,150.03	
AV C/C DVP GREEN CLOVER Senior	28,700,000.00	EUR	28,700,000.00	
AV C/C DVP GREEN CLOVER Junior	10,900,000.00	EUR	10,900,000.00	
AV C/C DVP EUROPEAN CHANNEL	19,736,022.90	EUR	19,736,022.90	
AV C/C DVP EUROPEAN CHANNEL JUNIOR	51,039,351.65	EUR	51,039,351.65	
AV C/C DVP EUROPEAN CHANNEL SENIOR	27,833,813.39	EUR	27,833,813.39	
AV DVP EUROPEAN CHANNEL GERMAN RESI	30,000,000.00	EUR	30,000,000.00	
AV DVP EUROPEAN CHANNEL TANGER	27,500,000.00	EUR	27,500,000.00	
AV DVP EUROPEAN CHANNEL VANAMI LAX 151	6,912,152.05	EUR	6,912,152.05	
AV DVP EUROPEAN CHANNEL GERMANY ASSET	27,377,500.00	EUR	27,377,500.00	
AV DVP EUROPEAN CHANNEL VIGASIO	60,750,000.00	EUR	60,750,000.00	
AV DVP EUROPEAN CHANNEL - CADUCEA HEKA	13,280,439.81	EUR	13,280,439.81	
AV DVP EUROPEAN CHANNEL - CAPREA HEKA	16,342,662.65	EUR	16,342,662.65	
AV DVP HAUSSMANN	165,751,529.56	EUR	165,751,529.56	
AV DVP DEICHTOR	56,050,000.00	EUR	56,050,000.00	
AV DVP ALPAGES 1950	66,268,964.00	EUR	66,268,964.00	
INTERETS AV CC SAS DVP1	1,914,683.10	EUR	1,914,683.10	
INTERETS AV C/C LE MAGELLAN	-2,229.92	EUR	-2,229.92	
INTERETS AV CC DVP1 GERMANY	822,898.73	EUR	822,898.73	
INTERETS AV CC DVP MUNICH HOTELS	282,705.45	EUR	282,705.45	
INTERETS AV C/C DVPG ASSETS SENIOR	438,156.23	EUR	438,156.23	
INTERETS AV C/C DVPG ASSETS JUNIOR	292,931.57	EUR	292,931.57	
INTERETS AV C/C SARL HERON PARK	97,397.82	EUR	97,397.82	
INTERETS AV C/C HORIZON DEVELOPPEMENT	59,568.24	EUR	59,568.24	
INTERETS AV C/C GRAND RUE	-0.25	EUR	-0.25	
INTERETS AV C/C EPL	727,010.65	EUR	727,010.65	
INTERETS AV C/C HOLDCO POWERHOUSE	774.20	EUR	774.20	
INTERETS AV C/C DVP GREEN CLOVER Senior	2,044.41	EUR	2,044.41	
INTERETS AV C/C DVP GREEN CLOVER Junior	414,856.91	EUR	414,856.91	
INTERETS AV C/C DVP EUROPEAN CHANNEL	0.00	EUR	0.00	
INTERETS AV C/C DVP EUROPEAN CHANNEL JUNIOR	873,689.40	EUR	873,689.40	
INTERETS AV C/C DVP EUROPEAN CHANNEL SENIOR	473,512.41	EUR	473,512.41	
INTERETS AV DVP EUROPEAN CHANNEL GERMAN RESI	378,513.69	EUR	378,513.69	
INTERETS AV DVP EUROPEAN CHANNEL TANGER	506,232.81	EUR	506,232.81	
INTERETS AV DVP EUROPEAN CHANNEL VANAMI LAX 151	108,290.36	EUR	108,290.36	
INTERETS AV DVP EUROPEAN CHANNEL GERMANY ASSET	409,543.07	EUR	409,543.07	
INTERETS AV DVP EUROPEAN CHANNEL VIGASIO	238,869.02	EUR	238,869.02	
INTERETS AV DVP EUROPEAN CHANNEL - CADUCEA HEKA	114,857.63	EUR	114,857.63	
INTERETS AV DVP EUROPEAN CHANNEL - CAPREA HEKA	141,341.64	EUR	141,341.64	
INTERETS AV C/C DVP HAUSSMANN	6,254,097.90	EUR	6,254,097.90	
INTERETS AV C/C DVP DEICHTOR	1,060,437.85	EUR	1,060,437.85	
INTERETS AV DVP ALPAGES 1950	691,058.20	EUR	691,058.20	



Description	Quantity	Listing currency	Valuation	% of average net
Shares traded on a regulated market, Article L. 214-36-4			250,486,638.16	9.65%
UNITE GROUP PLC	935,041.00	GBP	9,590,164.10	-
COVIVIO SA	183,975.00	EUR	10,201,413.75	-
Big Yellow Group PLC	323,591.00	GBP	4,183,250.23	-
VONOVIA SE NA O.N.	678,067.00	EUR	14,931,035.34	-
INMOBILIARIA COLONIAL SOCIMI	1,720,021.00	EUR	10,337,326.21	-
KLEPIERRE	691,763.00	EUR	14,893,657.39	-
COFINIMMO	143,589.00	EUR	12,018,399.30	-
SHURGARD SELF STORAGE SA	121,205.00	EUR	5,193,634.25	-
Hufvudstaden AB	677,280.00	SEK	9,032,227.15	-
UNIBAIL RODAMCO SE	212,552.00	EUR	10,336,403.76	-
GREAT PORTLAND EST	1,603,642.00	GBP	8,946,777.01	-
Fabege AB	631,981.00	SEK	5,040,958.13	-
LEG IMMOBILIEN AG	132,330.00	EUR	8,053,603.80	-
PSP Swiss Property AG	201,340.00	CHF	22,123,034.08	-
MERLIN PROPERTIES SOCIMI SA	1,186,304.00	EUR	10,409,817.60	-
AEDIFICA SA	138,266.00	EUR	10,480,562.80	-
LAND SECURITIES GROUP PLC	1,867,250.00	GBP	13,077,589.74	-
GECINA SA	176,037.00	EUR	16,749,920.55	-
Castellum AB	340,907.00	SEK	3,870,372.41	-
Warehouses De Pauw CVA	405,649.00	EUR	10,830,828.30	-
GRAINGER	3,589,442.00	GBP	10,194,864.85	-
CA IMMOBILIEN ANLAGEN AG	164,539.00	EUR	4,664,680.65	-
Segro PLC	1,950,210.00	GBP	16,784,224.92	-
ICADE	116,098.00	EUR	4,671,783.52	-
Pandox AB	369,730.00	SEK	3,870,108.32	-
Undertakings for collective investment in property (OPCI) and equivalent undertakings, Article L.214-36-5			358,022,988.96	13.80%
PHOENIX	2,344.00	EUR	250,334,001.11	-
HYDRA	408.00	EUR	41,650,165.35	-
CONCEPTO	24,218.00	EUR	66,038,822.50	-
Non-property deposits and financial instruments			272,658,348.59	10.51%
Deposits			100,000,000.00	3.85%
CAT 90J CAPTIO PREFERENTIEL 5ANS		EUR	20,000,000.00	-
CAT 32J CAPTIO PREFERENTIEL 5ANS		EUR	20,000,000.00	-
CAT2 90J CAPTIO PREFERENTIEL 5ANS		EUR	20,000,000.00	-
CAT90J2 CAPTIO PREFERENTIEL 5ANS		EUR	20,000,000.00	-
CAT 2 D CAPTIO PREFERENTIEL 5ANS		EUR	20,000,000.00	-
Shares and similar securities				
None	-	-	-	0.00%
Bonds and equivalent securities			165,637,640.82	6.38%
Credit Agricole Italia SpA 0.125% 15/03/2033	2,900,000.00	EUR	1,998,718.14	-
Credit Agricole Italia SpA 0.375% 20/01/2032	6,600,000.00	EUR	4,900,333.64	-
Berlin Hyp AG 0.01% 24/08/2026	1,026,000.00	EUR	913,894.46	-
BANCO SANTANDER S.A. OBL1,125%14-271124 CEDULAS	100,000.00	EUR	95,889.71	-
BCO SANTANDER CENTRAL HISPANO OBL4,625%07-040527 CEDULAS	700,000.00	EUR	754,596.07	-
BANCO SANTANDER TOTTA S.A. OBL0,875%17-250424	5,900,000.00	EUR	5,744,636.03	-
BANCO SANTANDER TOTTA S.A. OBL1,25%17-260927	1,000,000.00	EUR	910,718.61	-
Westpac Banking Corp 0.01% 22/09/2028	2,000,000.00	EUR	1,629,354.24	-
WESTPAC BANKING CORP 1.079% 05/04/2027	620,000.00	EUR	564,640.95	-
Westpac Banking Corp 3.106% 23/11/2027	600,000.00	EUR	588,875.24	-
CAJA RURAL NAVARRA S.COOPCRD.OBL0,875%1	4,600,000.00	EUR	4,353,336.66	-
AXA Home Loan SFH SA 0.01 16/10/2029	4,500,000.00	EUR	3,603,198.70	-
Korea Housing Finance Corp 0.01% 29/06/2026	3,903,000.00	EUR	3,439,872.69	-
Korea Housing Finance Corp 1.963% 19/07/2026	900,000.00	EUR	855,960.85	-
Yorkshire Building Society 0.01% 16/11/2028	1,700,000.00	EUR	1,384,823.96	-



Description	Quantity	Listing currency	Valuation	% of average net
YORKSHIRE BUI 0.125% 08/05/2024	350,000.00	EUR	335,031.08	-
STADSHYPOTEK AB 0.375% 13/03/2026	7,600,000.00	EUR	6,951,798.08	-
Vonovia SE 1.375% 28/01/2026	200,000.00	EUR	183,356.05	-
VONOVIA SE NA O.N. 4.75% 23/05/2027	200,000.00	EUR	198,355.07	-
Arkea Home Loans SFH SA 2.75% 22/12/2026	500,000.00	EUR	489,176.44	-
Bank of Nova Scotia/The 0.01 14/01/2027	1,479,000.00	EUR	1,288,319.45	-
Bank of Nova Scotia/The 3.05% 31/10/2024	1,300,000.00	EUR	1,296,660.07	-
Australia & New Zealand Banking Group Ltd 3.205% 15/11/2024	600,000.00	EUR	599,134.19	-
Vesteda Finance BV 0.75% 18/10/2031	1,600,000.00	EUR	1,159,040.88	-
Federation des Caisses Desjardins du Quebec 0.25% 08/02/2027	700,000.00	EUR	617,336.81	-
Federation des Caisses Desjardins du Quebec 2% 31/08/2026	710,000.00	EUR	679,626.01	-
Heimstaden Bostad Treasury BV 0.625% 24/07/2025	1,430,000.00	EUR	1,213,940.91	-
UniCredit Bank Austria AG 1.500% 24/05/2028	300,000.00	EUR	275,559.99	-
UniCredit Bank Austria AG 2.375% 20/09/2027	400,000.00	EUR	385,652.82	-
ROYAL BK CDA 0.625%18-100925	2,000,000.00	EUR	1,862,204.11	-
NATIONAL AUS BK 0.7519-300126	2,500,000.00	EUR	2,319,160.27	-
Nationale-Nederlanden Bank NV/The Netherlands 0.01 % 8/7/2030	2,800,000.00	EUR	2,189,414.58	-
Canadian Imperial Bank of Commerce 0.01% 07/10/2026	1,000,000.00	EUR	880,053.29	-
UniCredit Bank AG 0.01% 15/09/2028	2,185,000.00	EUR	1,821,041.25	-
UNICREDIT BANK 0.62518-1125	4,000,000.00	EUR	3,713,899.73	-
UniCredit Bank AG 2.625% 27/04/2028	400,000.00	EUR	391,269.64	-
Toronto-Dominion Bank, 0.1% 19/07/2027	1,700,000.00	EUR	1,464,381.89	-
Toronto-Dominion Bank/The 0.864% 24/03/2027	630,000.00	EUR	570,369.84	-
Toronto-Dominion Bank/The 1.707% 28/07/2025	800,000.00	EUR	771,809.95	-
Toronto-Dominion Bank/The 3.25% 27/04/2026	1,066,000.00	EUR	1,064,610.70	-
LEG Immobilien SE 0.375% 17/01/2026	700,000.00	EUR	615,058.93	-
Bank of New Zealand 0.01% 15/06/2028	1,400,000.00	EUR	1,155,537.95	-
Bank of New Zealand 2.552% 29/06/2027	900,000.00	EUR	872,878.24	-
Commonwealth Bank of Australia 0.125% 15/10/2029	600,000.00	EUR	477,626.22	-
Commonwealth Bank of Australia 3.246% 24/10/2025	600,000.00	EUR	599,349.76	-
National Bank of Canada 0.01% 29/09/2026	1,400,000.00	EUR	1,234,724.04	-
DZ HYP AG 0.01% 27/10/2028	3,588,000.00	EUR	2,980,902.54	-
DZ HYP AG 0.01% 26/10/2026	1,900,000.00	EUR	1,681,173.36	-
Prologis Euro Finance LLC 0% 08/02/2024	1,055,000.00	EUR	1,053,918.04	-
OP Mortgage Bank 0.625% 01/09/2025	1,800,000.00	EUR	1,682,011.25	-
Aegon Bank NV 0.01% 16/11/2025	2,000,000.00	EUR	1,817,344.66	-
Caja Rural de Navarra SCC 0.750% 16/02/2029	1,300,000.00	EUR	1,113,755.23	-
Mediobanca Banca di Credito Finanziario SpA 2.375% 30/06/2027	900,000.00	EUR	865,077.90	-
Royal Bank of Canada 0.625% 23/03/2026	600,000.00	EUR	551,893.81	-
Royal Bank of Canada 2.375% 13/09/2027	600,000.00	EUR	576,628.52	-
Santander UK PLC 1.125% 12/03/2027	2,420,000.00	EUR	2,220,836.65	-
ASB Finance Ltd/London 0.25% 21/05/2031	1,300,000.00	EUR	995,220.52	-
ASB Finance Ltd/London 0.75% 09/10/2025	600,000.00	EUR	558,039.29	-
Cie de Financement Foncier SA 0.01% 10/11/2027	1,400,000.00	EUR	1,192,203.95	-
FIN FONCIER 0.75%18-290526	2,500,000.00	EUR	2,305,170.89	-
Credit Mutuel Home Loan SFH SA 0.01% 20/07/2028	1,400,000.00	EUR	1,164,960.90	-
Kookmin Bank 0.048% 19/10/2026	979,000.00	EUR	857,384.70	-
Kookmin Bank 2.375% 27/01/2026	900,000.00	EUR	879,347.59	-
Bank of Montreal 0.125% 26/01/2027	1,300,000.00	EUR	1,138,961.70	-
Landesbank Baden-Wuerttemberg 0.01% 17/06/2026	3,613,000.00	EUR	3,237,334.61	-
Sparebanken Soer Boligkreditt AS 3.125% 14/11/2025	284,000.00	EUR	282,986.00	-
Societe Generale SFH SA 0.5 % 28/1/2026	3,700,000.00	EUR	3,413,865.82	-
STE GAL SFH 0.7519-290127	1,200,000.00	EUR	1,091,032.27	-
Societe Generale SFH SA 0.01% 02/12/2026	1,400,000.00	EUR	1,232,907.28	-
Societe Generale SFH SA 1.375% 05/05/2028	600,000.00	EUR	548,441.26	-
Societe Generale SFH SA 3% 28/10/2025	1,300,000.00	EUR	1,295,947.21	-
Cie de Financement Foncier SA 0.05 % 16/04/2024	1,100,000.00	EUR	1,056,423.27	-



Description	Quantity	Listing currency	Valuation	% of average net
Cie de Financement Foncier SA 0.01% 15/07/2026	1,300,000.00	EUR	1,157,748.12	-
Cie de Financement Foncier SA 3.125% 18/05/2027	500,000.00	EUR	496,698.56	-
ING BELGIUM 18-300525	900,000.00	EUR	846,853.77	-
BANKINTER 1,25%18-070228	1,500,000.00	EUR	1,358,959.32	-
BANKINTER S.A. OBL1%15-05025 CED	1,500,000.00	EUR	1,435,149.45	-
Bankinter SA 3.05% 29/05/2028	600,000.00	EUR	585,160.52	-
COMMERZBANK 0,62518-0525	3,554,000.00	EUR	3,349,497.97	-
ING-DiBa AG 0.01% 07/10/2028	1,800,000.00	EUR	1,498,667.92	-
CAIXABANK S.A. OBL0,625%15-270325 CED	1,900,000.00	EUR	1,792,802.52	-
ICADE 1.00% 19/01/2030	2,000,000.00	EUR	1,488,913.70	-
DNB Boligkreditt AS 0.01% 10/08/27	2,900,000.00	EUR	2,476,521.74	-
NIBC Bank NV 1.875% 16/06/2027	900,000.00	EUR	854,354.34	-
CREDIT AGRICOLE HOME LOAN 0.125% 16/12/2024	1,900,000.00	EUR	1,785,831.60	-
Westpac Securities NZ Ltd/London 0.01% 08/06/2028	1,400,000.00	EUR	1,153,385.01	-
Westpac Securities NZ Ltd/London 1.777% 14/01/2026	1,700,000.00	EUR	1,624,885.71	-
Muenchener Hypothekenbank eG 3.00% 04/08/2027	600,000.00	EUR	596,035.81	-
HESLAN 0 07/03/2024	1,700,000.00	EUR	1,619,573.00	-
LBK HESSEN-THUERING 0,518-25	2,200,000.00	EUR	2,046,451.15	-
INGBK0.75%18FEB29	1,800,000.00	EUR	1,563,018.66	-
ING Bank NV 0.500% 17/02/2027	1,300,000.00	EUR	1,168,084.01	-
ING Bank NV 2.75% 21/11/2025	600,000.00	EUR	592,595.42	-
Jyske Realkredit A/S 0.01% 1/10/2027	800,000.00	EUR	684,259.62	-
La Banque Postale Home Loan SFH SA 0.01% 22/10/2029	3,000,000.00	EUR	2,404,258.36	-
LBP HL SFH 0,519-300126	2,000,000.00	EUR	1,843,765.48	-
Nordea Kiinnitysluottopankki Oyj 2.625% 01/12/2025	900,000.00	EUR	885,491.51	-
Commerzbank AG 2.75% 08/12/2025	900,000.00	EUR	888,082.40	-
BNP PAR. FORT. 0,625%18-041025	2,100,000.00	EUR	1,954,415.34	-
ABN AMRO BANK N.V. OBL0,875%16-140126	3,200,000.00	EUR	3,008,186.74	-
INTESA SANPAOLO 1,125%18-0725	2,200,000.00	EUR	2,090,309.21	-
INTESA SANPAOLO SPA OBL3,25%14-100226	1,700,000.00	EUR	1,738,553.21	-
RBC 0,2519-290124 EMTN	800,000.00	EUR	776,595.62	-
FINANCEMENT FONCIER (CIE DE) OBL0,5%16-040924 EMTN	1,000,000.00	EUR	955,982.74	-
IBERCAJA BANCO 0,25%16-181023	3,300,000.00	EUR	3,226,818.21	-
BPCE SFH OBL0,375%17-210224 EMTN	5,300,000.00	EUR	5,149,829.95	-
BPCE SFH 0,75%18-020926 EMTN	1,500,000.00	EUR	1,404,864.45	-
DNB BOLIGKREDIT 0,625%18-0625	1,265,000.00	EUR	1,189,001.23	-
BQUE POSTALE HOME LOAN SFH(LA)OBL2,375%14-150124 EMTN	2,700,000.00	EUR	2,737,041.04	-
Open-ended undertaking for collective investment			7,020,707.77	
BNP PARIBAS MOIS ISR I	308.48	EUR	7,020,707.77	0.27%
Temporary securities transactions				
Assets:				0.00%
none	-	-	-	0.00%
Liabilities:				0.00%
none	-	-	-	0.00%
Financial contracts				
Assets:				0.00%
none	-	-	-	0.00%
Liabilities:				0.00%
EMPRUNT BPSS 31.07.2020	-117,000,000.00	EUR	-116,991,727.67	-4.51%
Total inventory of other immovable assets and non-property, deposits and financial instruments			1,963,905,292.54	75.70%
Net assets			2,594,454,526.99	



3.4. BREAKDOWN OF RECEIVABLES

Rents receivable: none as of 31 December 2022

Breakdown of balance sheet items – Other receivables	Financial year 31/12/2022	Financial year 31/12/2021
Other receivables		
Interest or dividends receivable	870,523.80	5,613,008.17
State and other authorities	-	-
Other debtors	617,348.19	1,229.46
Prepaid expenses	306,191.39	511,632.29
Deposit – EUR	1,046,646.20	-
Total	2,840,709.58	6,125,869.92

3.5. SHAREHOLDERS' EQUITY

As of 31 December 2022, the number of shares outstanding was 22,079,271.730.

Subscriptions and redemptions over the financial year	Number of units or shares	Gross amounts ¹	Charges and fees payable to the OPCI
Subscriptions registered	2,203,854.814	270,885,552.07	12,861,974.38
Redemptions carried out	367,587.973	44,485,635.14	-
Net amounts	1,836,266.841	226,399,916.93	12,861,974.38

¹ Excluding charges and fees.

Called/uncalled subscribed capital	Financial year 31/12/2022	Financial year 31/12/2021	Changes in the financial year
Called capital subscribed	2,578,094,040.82	2,351,694,123.89	226,399,916.93
Uncalled capital subscribed	-	-	-
Capital subscribed	2,578,094,040.82	2,351,694,123.89	226,399,916.93

Percentage of payment of the subscribed capital: 100.00%

Breakdown of balance sheet item	Financial year 31/12/2022	Financial year 31/12/2021
Capital	2,455,544,639.14	2,408,148,386.39
Net capital gains carried forward	50,141,403.26	29,481,071.36
Accrual account for net capital gains carried forward	4,548,385.81	2,879,140.95
Previous net income carried forward	48,994,368.60	36,496,538.97
Accrual account for previous net income carried forward	4,444,336.94	3,541,881.60
Income for the financial year	29,345,955.34	60,660,539.21
Accrual account for income for the financial year	1,435,437.90	2,918,868.67
Interim payments made during the financial year	-	-
Accruals on interim payments made during the financial year	-	-
Total shareholders' equity (net assets)	2,594,454,526.99	2,544,126,427.15

3.6. TABLE OF RESULTS AND OTHER CHARACTERISTIC ITEMS OF THE OPCI OVER THE PREVIOUS FIVE YEARS

	Financial year 31/12/2022	Financial year 31/12/2021	Financial year 31/12/2020	Financial year 31/12/2019	Financial year 31/12/2018
Net assets	2,594,454,526.99	2,544,126,427.15	2,275,086,299.27	1,986,472,465.22	1,373,649,758.70
Number of units outstanding	22,079,271.730	20,243,004.889	18,449,723.010	15,691,585.253	11,679,356.853
Net asset value per unit	117.50	125.68	123.31	126.59	117.61
Distribution per unit on net capital gains and losses ¹	-	-	-	-	-
Distribution per unit on income ¹	1.82	1.82	1.75	1.75	1.45
Unit capitalisation	-	-	-	-	-

¹ Including advances.



3.7. DEBTS

Debt breakdown

Breakdown of balance sheet item	Financial year 31/12/2022	Financial year 31/12/2021
Borrowings	117,000,000.00	50,000,000.00
Bank loans and overdrafts	-	-
Financing costs payable	8,272.33	80,205.72
Total payables to credit institutions	117,008,272.33	50,080,205.72
Current account advances granted to the OPCI	-	-
Outstanding operating and management costs	451,308.86	6,795,265.06
Tenants in credit	-	-
Debts on fixed assets	1,378,031.71	341,665.35
State and other authorities	-	-
Subscription fee accruing to the SPPICAV	17,689.92	4,888,540.54
Subscriptions received	4,524,843.01	-
Other creditors	107,732.00	134,771.25
Operation "Bodio 5+1" Transfert of shares	-	96,329,071.79
Deferred income	-	-
Total other operating liabilities	6,479,605.50	108,489,313.99

Breakdown of loans by residual maturity

Breakdown by residual maturity	Up to 1 year	[1 to 5 years]	> 5 years	Total
Fixed-rate financial loans and debt	-	-	-	-
Amortisable loans	-	117,000,000.00	-	117,000,000.00

Breakdown of loans by asset type

Breakdown of financed assets by type	31/12/2022	31/12/2021
Immovable liabilities	-	-
Other loans	117,000,000.00	50,000,000.00
Security deposits received	-	-
Total	117,000,000.00	50,000,000.00

Mortgages

None as of 31 December 2022

3.8. DETAILS OF PROVISIONS

Details of provisions	31/12/2021	Allocations for the financial year	Resumptions for the financial year	31/12/2022
Risks provisions*	-	22,715,650.59	-	22,715,650.59
Expenses provisions	-	-	-	-
Total	-	22,715,650.59	-	22,715,650.59

*See 3.16 - Current value of securities

3.9. INCOME AND EXPENSES ASSOCIATED WITH PROPERTY BUSINESS

Breakdown of items included in the income statement	31/12/2022	31/12/2021	Accounting treatment
Income from property business			
Property income	-	-	
<i>Rents</i>	-	-	
<i>Invoiced expenses (reimbursement of expenses)</i>	-	-	
<i>Other property income</i>	-	-	
Income from units and shares of immovable entities	29,795,638.35	10,789,511.92	
Other income associated with immovable assets	33,147,282.76	52,371,764.51	Income from associated current accounts
Total	62,942,921.11	63,161,276.43	
Expenses associated with property business			
Property charges and expenses	-	-	
Expenses on units and shares of immovable entities	-	-	
Other expenses on immovable assets	-	-	
Loan charges on immovable assets	-	-	
Total	-	-	

3.10. INCOME AND EXPENSES ASSOCIATED WITH FINANCIAL TRANSACTIONS

Breakdown of items included in the income statement	31/12/2022	31/12/2021
Income from financial transactions		
Income on non-property deposits and financial instruments	-	-
<i>Income from deposits</i>	-	-
<i>Income from equities and equivalent securities</i>	-	-
<i>Income from bonds and equivalent securities</i>	888,168.00	1,117,840.25
<i>Income from debt securities</i>	272,817.70	723,427.97
<i>Income from undertakings for collective investment</i>	-	-
<i>Income from temporary securities transactions</i>	-	-
<i>Income from forward financial instruments</i>	-	-
Other financial income	249,026.06	479,268.35
Total	1,410,011.76	2,320,536.57
Expenses on financial transactions		
Expenses on non-property deposits and financial instruments	-	-
<i>Expenses on temporary securities transactions</i>	-	-
<i>Expenses on forward financial instruments</i>	-	-
Other financial expenses	-2,362,892.45	-2,113,508.41
Total	-2,362,892.45	-2,113,508.41

3.11. OTHER INCOME AND OTHER EXPENSES

Breakdown of items included in the income statement	Amount as of 31/12/2022	Amount as of 31/12/2021
Other income		
of which Management company re-invoicing	-	-
of which miscellaneous income	1,179.95	-
Total	1,179.95	-
Other expenses		
Costs of sales of financial instruments	0.00	0.00
Total	-	-

3.12. MANAGEMENT FEES

	Amount at 31/12/2022 (incl. tax)	Real rate (% of mean net assets)	Amount at 31/12/2021 (incl. tax)	Real rate (% of mean net assets)
Recurring costs (management and operating costs)	21,881,691.26	0.83%	20,007,781.07	0.83%
Of which:				
Custodian fees	585,841.44	0.02%	623,663.38	0.03%
Statutory auditor fees	94,464.62	0.00%	102,919.71	0.00%
Valuer fees	195,012.41	0.01%	179,833.96	0.01%
Management company fees	19,760,339.15	0.75%	18,794,581.82	0.78%
Miscellaneous	1,246,033.64	0.05%	306,782.20	0.01%
Average net assets	2,635,190,017.97		Average net assets	2,402,627,314.24

3.13. INCOME FROM DISPOSALS OF ASSETS

Breakdown by type	Capital gains realised	Capital losses realised	Income from disposals in the financial year	
			31/12/2022	31/12/2021
Undeveloped land	-	-	-	-
Land and buildings	-	-	-	-
Buildings on third-party land	-	-	-	-
Other real rights	-	-	-	-
Buildings under construction	-	-	-	-
Total - Buildings under construction, constructed or acquired property and real rights			-	-
Partnership units – Art. L.214-36-2	-	-	-	-
Units and shares of companies – Art.L.214-36-3	-	-	-	-
Shares traded on a regulated market Art. L.214-36-4	18,143,418.16	23,256,186.69	-5,112,768.53	19,466,483.40
Units or shares of OPCIs and equivalent funds	-	-	-	-
Other property assets	-	-	-	-
Total - Other immovable assets	18,143,418.16	23,256,186.69	-5,112,768.53	19,466,483.40
Total - Immovable assets	18,143,418.16	23,256,186.69	-5,112,768.53	19,466,483.40
Total - Non-property deposits and financial instruments	8,313,122.15	13,963,927.39	-5,650,805.24	-2,166,467.71
Total	26,456,540.31	37,220,114.08	-10,763,573.77	17,300,015.69

3.14. COMMITMENTS RECEIVED AND GIVEN

Commitments impacting investments in property and other immovable assets

Type of commitments	Amount of the commitment
Commitments received	-
None	-
Commitments given	-
None	-
Reciprocal commitments	-
None	-

Trading commitments

Commitments by type of income	Amount of the commitment
Commitments on regulated or equivalent markets	-
Futures contracts:	-
None	-
Over-the-counter commitments	-
None	-
Other commitments	-
None	-

3.15. INCOME ALLOCATION TABLES

Income allocation table	Financial year 31/12/2022	Financial year 31/12/2021
Net income	40,109,529.11	43,360,523.52
Adjustment of net income	2,062,740.26	2,437,693.41
Income from disposals of assets	-10,763,573.77	17,300,015.69
Adjustment of disposals of assets	-627,302.36	481,175.26
Interim payments in the financial year	-	-
Adjustment of interim payments in the financial year	-	-
Outstanding amount to be allocated for the financial year (I)	30,781,393.24	63,579,407.88
Net income carried forward	48,994,368.60	36,496,538.97
Net capital gains carried forward	50,141,403.26	29,481,071.36
Deferral account adjustment	8,992,722.75	6,421,022.55
Outstanding amount to be allocated for previous financial years (II)	108,128,494.61	72,398,632.88
Total sums to be allocated (I + II)¹	138,909,887.85	135,978,040.76
Distribution	40,184,274.55	36,842,268.90
Previous net income carried forward	55,426,700.36	48,994,368.60
Net capital gains carried forward	43,298,912.94	50,141,403.20
Incorporation into capital	-	-
Total of sums allocated	138,909,887.85	135,978,040.70

¹ Subject to the decision of the General Meeting to approve the accounts for the financial year ended 31/12/2022.

Table of advances paid for the financial year

None as of 31 December 2022

3.16. TABLE OF SUBSIDIARIES AND SHAREHOLDINGS

	Current value of securities in N	Capital	Profit/loss	Shareholders' equity	Share held (as %)
SUBSIDIARIES					
SAS DVP1 ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	169,336,189.69	18,402,300.00	-6,424,643.60	110,743,530.17	100%
SAS LE MAGELLAN ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	30,780,554.74	2,580,000.00	508,661.00	16,518,908.39	100%
SAS DVP HERON ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	60,855,508.95	6,810,000.00	2,777,462.50	10,770,151.16	100%
SAS DVP GREEN CLOVER ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	61,768.54	2,560,840.00	-4,400,791.42	61,768.54	100%
SAS DVP EUROPEAN CHANNEL ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	89,715,257.70	17,645,820.00	-7,007,601.89	85,216,995.29	100%
SAS DVP HAUSSMANN ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	-22,715,650.59	4,000,000.00	-37,395,874.47	-22,715,650.59	100%
SCI DVP HOCHÉ ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	24,666,036.78	8,460,000.00	628,015.90	-1,996,614.24	0.01% in direct; 99.99% via DVP1
SAS DVP ALPAGES 50, cours de l'île Seguin 92100 Boulogne-Billancourt	56,929,867.47	1,000.00	-83,793.09	56,726,206.91	100%
CONCEPTO ¹ Piazza Lina Bo Bardi no 3 20124 Milan	132,077,645.00	120,000,000.00	26,611,700.00	132,077,645.00	50%
PHOENIX Via Salandra 13- 00187 Roma	250,314,836.38	234,400,000.00	13,287,552.00	253,919,908.38	100%
BODIO 5+1 20 Via Vittor Pisani 20127 Milan	1,228,088.00	20,000.00	52,999.00	1,228,088.00	100%
HYDRA Piazza Lina Bo Bardi no 3 20124 Milan	41,650,165.35	40,800,000.00	761,920.00	41,650,165.35	100%
SHAREHOLDINGS					
SAS POWERHOUSE HABITAT ¹ 23, rue du Roule 75001 Paris	78,148,670.92	440,695,419	17,990,023.08	440,695,719.08	11.42%
EPL ¹ 50, cours de l'île Seguin 92100 Boulogne-Billancourt	69,689,003.27	63,809,020	-590,232.52	64,402,113.66	48.20%
SAS HEKA Master HoldCo 50, cours de l'île Seguin 92100 Boulogne-Billancourt	173,360,085.02	16,717,000.00	16,887.27	183,870,112.73	26.00%

¹ According to the financial statements as of 31/12/2022.

4. OTHER INFORMATION

4.1. OFF-BALANCE SHEET COMMITMENTS

Commitments given

Financial guarantee: "Equities and Securities" pledged accounts and other instruments credited to the pledged accounts.

Banking covenants

N/A

Financial contracts

N/A

4.2 SUBSEQUENT EVENT

None

STATUTORY AUDITOR'S REPORT

Disclaimer: this is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditor's report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

(FREE TRANSLATION OF A FRENCH LANGUAGE ORIGINAL)

FOR THE YEAR ENDED 31 DECEMBER 2022

To the shareholders of the SPICAV BNP PARIBAS DIVERSIFIERRE,

Opinion

In compliance with the engagement entrusted to us by your board of directors, we have audited the accompanying financial statements of the SPICAV BNP PARIBAS DIVERSIFIERRE for the year ended 31 December 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the SPICAV as at 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors rules applicable to us, for the period from 1 January 2022 to the date of our report.

Justification of assessments

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

As indicated in the notes to the financial statements, your company applies the accounting principles and the methods defined by the French regulation "Règlement ANC n° 2014-06 du 2 octobre 2014 modifié". In the context of our work, we have verified the correct application of those accounting standards.

The paragraph "Actifs à caractère immobilier" of the note to the financial statement "1. Principes, règles et méthodes comptables" regarding the valuation of the real estate assets indicate the involvement of two independent valuations specialists and the procedures applied by the management company to determine the property assets valuation. Our work consisted to evaluate the approach used to determine the present value of the real estate assets and to verify the correct application of the accounting standards.

Verification of the management report and of the other documents provided to the shareholders

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the shareholders with respect to the financial position and the financial statements.



Report on the corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by the Article L.225-37-4 of the French Commercial Code (code de commerce).

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for the implementation of the internal controls as management determines necessary to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the SPPICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the SPPICAV or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory auditor's responsibilities for the audit of the financial statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control,
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements,
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein,
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris la Défense, on the 13 avril 2023

The statutory auditor
French original signed by
Pascal LAGAND
Partner

STATUTORY AUDITOR'S REPORT

Disclaimer: this is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditor's report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

STATUTORY AUDITOR'S SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

(FREE TRANSLATION OF A FRENCH LANGUAGE ORIGINAL)

FOR THE YEAR ENDED 31 DECEMBER 2022

To the shareholders of the SPICAV BNP PARIBAS DIVERSIFIERRE,

In our capacity as Statutory Auditors of your company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, in application to Article R.225-31 of the French Commercial Code (Code de commerce), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R.225-31 of the French Commercial Code relating to the implementation during the past year of agreements and commitments previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux comptes) relating to this engagement.

REGULATED AGREEMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDER'S MEETING

Agreements and commitments authorized during the year

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to article L.225-38 of the French Commercial Code.

Agreements previously approved by the shareholders' meeting

We hereby inform you that we have not been advised of any agreement or commitment previously approved by the Shareholders' Meeting which remained in force during the year.

Paris La Défense, on the 13 April 2023

The statutory auditor
French original signed by
Pascal LAGAND
Partner



ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 28 APRIL 2023

AGENDA

- Approval of the corporate governance report, the management report and the Statutory Auditor's report on the annual financial statements for the year ended 31 December 2022, approval of the financial statements for the year ended 31 December 2022 and recognition of the capital as at 31 December 2022,
- Recognition of the non-deductible expenses referred to in Article 39, paragraph 4 of the French General Tax Code,
- Discharge of the Board of Directors,
- Discharge of the Management company,
- Approval of the Statutory Auditor's special report on the agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code, and of said agreements,
- Allocation of the profit for the year,
- Ratification of the co-option of Jean-Maxime Jouis as Director,
- Renewal of the mandate of Jean-Maxime Jouis as Director,
- Renewal of the Director's mandate of the company CARDIMMO,
- Renewal of the Director's mandate of the company CARDIF ASSURANCE VIE,
- Authority to carry out formalities.

DRAFT OF THE RESOLUTIONS

FIRST RESOLUTION

The General Meeting, acting in its ordinary form, having taken note of the report on corporate governance, the management report and the Statutory Auditor's report, expressly approves all parts of these reports and the accounts for the financial year ending 31 December 2022 as presented. It notes that at 31 December 2022:

- the Company's capital totaled €2,455,544,639.14 i.e. an increase in capital of €47,396,252.75 compared to financial year 2021.

SECOND RESOLUTION

The General Meeting, acting in its ordinary form, pursuant to Article 223 quater of the French General Tax Code, notes that the financial statements for the past financial year do not include any expenses that are not deductible for tax purposes, as referred to in Article 39, paragraph 4 of the French General Tax Code.

THIRD RESOLUTION

The General Meeting, acting in its ordinary form, discharges the Directors for the performance of their duties for the past financial year.

FOURTH RESOLUTION

The General Meeting, acting in its ordinary form, discharges the Management company for the performance of its duties for the past financial year.

FIFTH RESOLUTION

The General Meeting, acting in its ordinary form, having heard the Statutory Auditor's special report on the regulated agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code, approves this report and the agreements mentioned therein.

SIXTH RESOLUTION

The General Meeting, acting in its ordinary form, resolves to allocate the profit for financial year 2022 as follows:

■ Net profit	€40,109,529.11
■ Adjustment of the net profit	€2,062,740.26
■ Loss on asset disposals	-€10,763,573.77
■ Adjustment of asset disposals	-€627,302.36
■ Retained earnings	€108,128,494.61

■ Distributable amount	€138,909,887.85
■ Advance payments made during financial year 2022	€0.00
■ Adjustment on the advance payments made during financial year 2022	€0.00
■ Balance of dividend to be paid in 2023	€40,184,274.55
■ Retained earnings	€98,725,613.30
■ Of which net profit carry-forward account	€55,426,700.36
■ Of which net capital gains carry-forward account	€43,298,912.94

The General Meeting resolves to pay a final dividend of €1.82 per outstanding share after this General Meeting.

The dividend will be paid on or before 29 May 2023.

The dividends distributed for the last 3 years are:

Years	Amount per share
2021	€1.82
2020	€1.75
2019	€1.75



SEVENTH RESOLUTION

The General Meeting, acting in its ordinary form, ratifies the co-optation, made on a provisional basis by the Board of Directors, of Jean-Maxime Jouis to replace Sigrid Duhamel for the remainder of her term of office as director, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2022.

EIGHTH RESOLUTION

The General Meeting, acting in its ordinary form, having noted that the term of office as director of Jean-Maxime Jouis expires at the present Meeting, resolves to renew his term of office for a period of three years expiring at the end of the ordinary General Meeting called to approve the financial statements for the year ending 31 December 2025.

NINTH RESOLUTION

The General Meeting, acting in its ordinary form, having noted that the term of office as director of the company CARDIMMO expires at the present Meeting, resolves to renew its term of office for a period of three years expiring at the end of the ordinary General Meeting called to approve the financial statements for the year ending 31 December 2025.

TENTH RESOLUTION

The General Meeting, acting in its ordinary form, having noted that the term of office as director of the company CARDIF ASSURANCE VIE expires at the present Meeting, resolves to renew its term of office for a period of three years expiring at the end of the ordinary General Meeting called to approve the financial statements for the year ending 31 December 2025.

ELEVENTH RESOLUTION

The General Meeting, acting in its ordinary form, grants all powers to the bearer of a copy or extract of the minutes of the deliberations to carry out all legal publication formalities.



Non-contractual image

Perspective of 51-53, boulevard Haussmann - Paris - France

ESG / SFDR APPENDIX

Template periodic 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 Diversipierre

Legal entity identifier: 69500VNDLJ20738FT46

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.

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Old this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____%	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 63% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> 6% with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> 57% with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

BNP Paribas Diversipierre holds 84.2% in direct real estate, 9.6% in stocks (listed REITs) and 6.2% in covered bonds. The percentages of the above alignment represent the entire portfolio, meaning direct real estate, equity and bonds. The responses to the questions below only concern the direct real estate portion of the portfolio. Information on the equity and bonds portions are in the appendices following this document. These are the same SFDR appendices completed for the equity and bonds section of the portfolio.

TO WHAT EXTENT WERE THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT MET?

The environmental characteristics promoted by the fund were achieved through implementing the fund's strategy.

The fund strategy aims to prevent asset obsolescence and to improve asset strength by implementing an environmental, social and governance (ESG) performance improvement strategy called Best-in-Progress. This approach inherently contributes to the non-destruction of asset value.

The fund promotes environmental and social characteristics by assessing investments using an SRI (Socially Responsible Investment) strategy, which is substantiated through the award of the SRI label. In 2022, all new acquisitions were analysed using this grid.

The primary objective in considering the ESG criteria within the BNP Paribas Diversipierre's real estate asset strategy has been to improve environmental performance.

Regarding the real estate portion, the fund applied its ESG criteria to all of the stages for real estate asset management: acquisition,

ownership and disposal. The Management company developed an ESG analysis tool for real estate assets based on the following 10 ESG criteria:

- Energy efficiency / carbon footprint
- Pollution (soil pollution, asbestos, lead)
- Water management
- Waste management
- Social / environmental certifications and labels
- Biodiversity
- Occupant comfort and well-being
- Mobility and accessibility
- Building resilience
- Stakeholder responsibility: seller, property manager, tenant

As such, the ESG criteria were used to analyse new assets acquired by BNP Paribas Diversipierre in 2022, and to define the action plans for improving their ESG performance. For buildings already held by the funds, ESG action plans continued to be implemented.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.



How did the sustainability indicators perform?

For the real estate portion, the table below summarises the performance of sustainability indicators for direct investments. These indicators reflect Phase 1 of the fund's SRI labelling cycle; the assets for Phase 2 are not evaluated until the second cycle in early 2024.

Indicator	Unit of measurement	Phase 1 31.12.2022	Phase 1 31.12.2021
Energy performance	kWh net/sqm.yr	163	147
Greenhouse gas emissions	kgCO ₂ eq/sqm	20	28
Share of PM contracts including ESG clauses	% of PM contracts with an ESG clause	61%	61%
Distance from public transport	No. of assets	70%	48%
Electric vehicle charging stations	No. of assets	26%	31%
Building accessibility	No. of assets	74%	78%
Resilience audit	No. of assets	83%	0%
Tenant engagement on ESG matters	No. of tenants	48%	21%
Assets with no risk linked to asbestos	No. of assets	13%	14%

... and compared to previous periods?

See above table.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investments made by the fund aim to meet the objective of making a substantial contribution to mitigating climate change.

A total of 63% of the fund's assets were considered as a sustainable investment that substantially contributed to mitigating climate change (54.51% of the portfolio represents assets held directly, 6.03% represents shares and 2.74% represents bonds). The contribution of directly held real estate assets is outlined in the table below. For each asset, the "Do No Significant Harm" (DNSH) criterion for considering the "Principal Adverse Impacts" (PAI) was validated. More information is available under the question "How were the indicators for adverse impacts on sustainability factors taken into account?".

Asset name	Portfolio weight (%)	Measurable goal demonstrating sustainable investment alignment
BODIO CENTER	9,21%	LEED Gold Construction Certification
DEICHTOR OFFICE CENTER	6,26%	ESG action plan progress at 100%
HERON PARC	4,61%	ESG action plan progress at 31%
EP1 - GRANDS MOULINS	2,48%	ESG action plan progress at 55%
18BIS / 20 AVENUE HOCHÉ	2,44%	ESG action plan progress at 95%
VISALTO - BD D'INDOCHINE	2,25%	ESG action plan progress at 50%
HORIZON	2,19%	ESG action plan progress at 73%, DNB Gold Construction Certification
ID Cologne A1 - Haus am Platz	2,07%	LEED Gold Construction Certification, EU Taxonomy alignment
LUXEMBOURG - 56 GRAND RUE	1,90%	ESG action plan progress at 69%
BORDEAUX - LE TRIBEQUA	1,85%	ESG action plan progress at 56%
PARIS 2 - RUE VIVIENNE	1,81%	ESG action plan progress at 92%
TANGER 66	1,69%	LEED Platinum Construction Certification, EU Taxonomy alignment
SCHWEDLER CARRE	1,67%	ESG action plan progress at 71%
KARRE 1 VAULX-EN-VELIN	1,54%	ESG action plan progress at 88%, BREEAM In-Use Outstanding Certification
LE MAGELLAN	1,53%	ESG action plan progress at 96%
THE ONE BUILDING	1,46%	ESG action plan progress at 60%, BREEAM In-Use Very Good Certification
THE HYPE	1,44%	ESG action plan progress at 81%
KIEL	1,35%	ESG action plan progress at 56%
ID Cologne A2 - Patio Haus	1,29%	LEED Gold Construction Certification, EU Taxonomy alignment
EP1-ARCUEIL 1 (LE VISIUM)	1,00%	ESG action plan progress at 96%
CITY EAST	0,97%	ESG action plan progress at 89%
EP1-CHATILLON 2 (CARAT 2)	0,86%	ESG action plan progress at 100%
EP1-AXEO	0,75%	ESG action plan progress at 100%
EP1-MARSEILLE	0,75%	ESG action plan progress at 92%
CITY SOUTH	0,74%	ESG action plan progress at 64%
MONTRouGE - CAMILLE PELLETAN	0,40%	ESG action plan progress at 100%

The methodology incorporates various criteria in its definition of sustainable investments which are considered essential for qualifying an asset as "sustainable". These criteria are complementary to each other. In practice, an asset must fulfil at least one of the criteria defined by BNP Paribas REIM France to be considered as contributing to an environmental or social objective.



These criteria are presented on the BNP Paribas REIM France website: [Our Commitment to Corporate Social Responsibility \(bnpparibas.com\)](https://www.bnpparibas.com/en/our-commitment-to-corporate-social-responsibility)

Objectives for investments aligned with the EU Taxonomy

Sustainable investments made by the fund aim to respond to the goal of substantial contribution to mitigating climate change.

A total of 6% of the fund's assets were considered aligned with the European Taxonomy and have substantially contributed to mitigating climate change (5.05% of the portfolio represents direct assets and 1.51% represents shares). The contribution of direct real estate assets is

detailed in the table below.

For each asset, the DNSH criteria analysing the climate risk was validated. More information can be found under the question, "To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?"

Asset name	Portfolio weight (%)	Measurable goal demonstrating sustainable investment alignment
ID Cologne A1 - Haus am Platz	2.07%	DPE A
TANGER 66	1.69%	DPE A
ID Cologne A2 - Patio Haus	1.29%	DPE A

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments

The sustainable investments the fund partially made have not caused any significant harm to an environmentally or socially sustainable investment objective.

As such, the fund analysed the main adverse impacts on the sustainability factors by taking into account the adverse impact indicators defined in the SFDR Regulation. The relative indicators are presented below in response

to the question, "How were the indicators for adverse impacts on sustainability factors taken into account?"

The Do No Significant Harm policy applies solely to the investments underlying the fund which take into account the European Union's criteria for sustainable environmental economic activities.

Investments aligned with the EU Taxonomy

The EU Taxonomy sets out a Do No Significant Harm (DNSH) policy by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

Investments aligned with the 'Substantial contribution to mitigate climate change' Taxonomy criteria that the fund made have not caused significant harm to another objective defined by the Taxonomy, either environmentally or socially.

For this taxonomy objective, the DNSH policy demands that a study be carried out for 'Climate change adaptation' to assess the exposure and vulnerability of the asset regarding climate change, and to identify the physical climate risks among those laid out in appendix A of the delegated regulation (EU) 2021/2139. The objective is also to identify and implement physical and non-physical solutions (adaptation solutions) that substantially reduce within five years the most significant physical climate risks which are important for the asset.

How were the indicators for adverse impacts on sustainability factors taken into account?

BNPP REIM adheres to a **responsible investment policy** by which the principle adverse impacts (PAI) are integrated into investment decisions and portfolio management.

The principal adverse impacts on sustainability factors are environmental, social and labour concerns, respect for human rights and fighting corruption. The principal adverse impacts on sustainability factors are measured using PAI indicators.

BNPP REIM takes into account the pertinence of the PAI according to the type of real estate asset. Thus, the principal adverse impacts on sustainability factors can vary from one fund to another.

BNPP REIM defines the mandatory PAI indicators for real estate investments under consideration and associated with the principal adverse impacts on the sustainability factors as follows:

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, anticorruption and antibribery matters.

Fossil fuel (mandatory indicator):

Percentage of real estate investments used for extraction, storage, transport or permanent production of fossil fuel.

Consumption of fossil fuel for heating buildings is not included. Additionally, storing fossil fuel for personal use (i.e., heating oil) or fuel used for generators is excluded.

Emphasis is exclusively on the specific use of the respective goods. The sectors in which the individual tenants (commercial) are active (i.e., administrative buildings for natural gas companies) are not taken into account.

Energy inefficiency (mandatory indicator):

For the principal adverse impact “energy inefficiency”, the proportion of investments in energy-inefficient properties is determined according to the negative effects on sustainability factors. As such, the share of assets with an Energy Performance Certificate (EPC) of C or lower (built before 31 December 2020) or with a Primary Energy Demand (PED) that exceeds specifications for the “Nearly Zero Energy Building” (NZEB) (built after 31 December 2020), is calculated proportionately to total value of all the properties which are subject to the EPC and to the NZEB regulations (see the definitions in Annex I of the SFDR RTS).

For optional indicators, it is necessary to weigh the principal adverse impacts associated with each indicator. This has been done based on the following parameters:

- a) probability of occurrence;
- b) severity of the principal adverse effects;
- c) degree of irreversibility.

Other than the two mandatory indicators “fossil fuel” and “energy inefficiency”, BNPP REIM takes into account the two following optional indicators for the fund:

Greenhouse Gas Emissions (optional indicator):

Greenhouse gas emissions (according to the definition under Article 3, no. 1 of the EU regulation 2018/842) are:

- Scope 1 greenhouse gas emissions: all direct greenhouse gas emissions, created by combustion in their facilities
- Scope 2 greenhouse gas emissions: all emissions associated with purchased energy (electricity, urban heating)

Energy consumption (optional indicator):

This sustainability indicator considers the intensity of energy consumption as the principal adverse impact on sustainability factors, meaning the energy consumption of properties managed by BNPP REIM is determined in kWh per square metre.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Sustainable investments were in line with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights.

For direct investments, the BNP Paribas Real Estate Group and its subsidiaries, including BNP Paribas REIM France, are committed to a number of national and international framework agreements to structure their responsible investment approach: the United Nations Global Compact, the Climate Principles, the Equator Principles and the Diversity Label.

BNP Paribas REIM France is committed to respecting the international human rights norms which are defined by the International Bill of Human Rights, the Modern Slavery Act in the United Kingdom and the International Labour Organisation. This commitment applies to its activities and investments.

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 Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



HOW DID THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

The ESG rating for BNPP REIM takes into account and incorporates the potential adverse impacts of the assets on sustainable development factors for the funds which meet the requirements of Articles 8 and 9 of the EU Regulation 2019/2088 on the publication of information regarding sustainability in the financial services sector called the SFDR (Sustainable Finance Disclosure Regulation).

This ESG rating is carried out during acquisition due diligence and regularly updated to measure the ESG performance of the asset and to evaluate the negative impacts on sustainability.

The fund takes into account the principal adverse impacts on sustainability by evaluating the two mandatory indicators applicable to the real estate sector after acquisition:

For direct investments, the following mandatory indicators applicable to the real estate sector have been taken into account:

- Share of investments in the real estate assets involved in the extraction, storage, transport or fabrication of fossil fuel ▶ 0% on 100% of the direct real estate portfolio
- Share of investments in the real estate assets which are energy inefficient ▶ 36.5% of the total real estate portfolio, based on 55.4% of the portfolio with the information available



For direct investments, the following optional indicators were taken into account:

- Greenhouse Gas (GHG) emissions
 - ▶ 29.73 kWh net/sqm.yr
- Final energy intensity ▶ 173.91 kgCO₂eq/sqm

For new acquisitions, data used to calculate the share of principal adverse impacts is collected during the ESG evaluation at the time of asset acquisition.

To measure the share of investments in energy-inefficient real estate assets, the EPD level was collected during the acquisition due diligence. In the absence of an EPD during acquisition, it is ordered by our Property Management teams.

WHAT WERE THE TOP INVESTMENTS OF THIS FINANCIAL PRODUCT?

Largest investments during the 2022 financial year (name of asset)	Sector	% Assets	Country
Bodio	Office	11%	Italy
Deichtor	Office	7%	Germany
51 Haussmann	Retail	7%	France
CM La Rosière	Hotels	5%	France
Héron Parc	Retail	5%	France
Heka	Health	5%	France
PowerHouse	Residential	4%	France
LES GRANDS MOULINS	Office	3%	France
18 avenue Hoche	Office	3%	France
Bergedorf	Residential	3%	Germany
Visalto	Office	3%	France
Horizon	Office	3%	Germany
Poséidon	Retail	3%	Portugal
Vigasio	Logistics	2%	Italy
ID Cologne A1	Office	2%	Germany

WHAT WAS THE PROPORTION OF SUSTAINABILITY-RELATED INVESTMENTS?

The proportion of sustainable developments that aim to substantially contribute to mitigating climate change relative to the SFDR Article 2(17) is 63%.

What was the asset allocation?

The proportion of sustainable developments that aim to substantially contribute to mitigating climate change relative to the SFDR Article 2(17) is 63%.

The share of sustainable investments with an environmental objective that is aligned with the European Taxonomy Regulation is 6%.

Compliance of these investments with the requirements laid out in Article 3 of the EU Regulation 202/852 has not been guaranteed by an auditor or a third party.

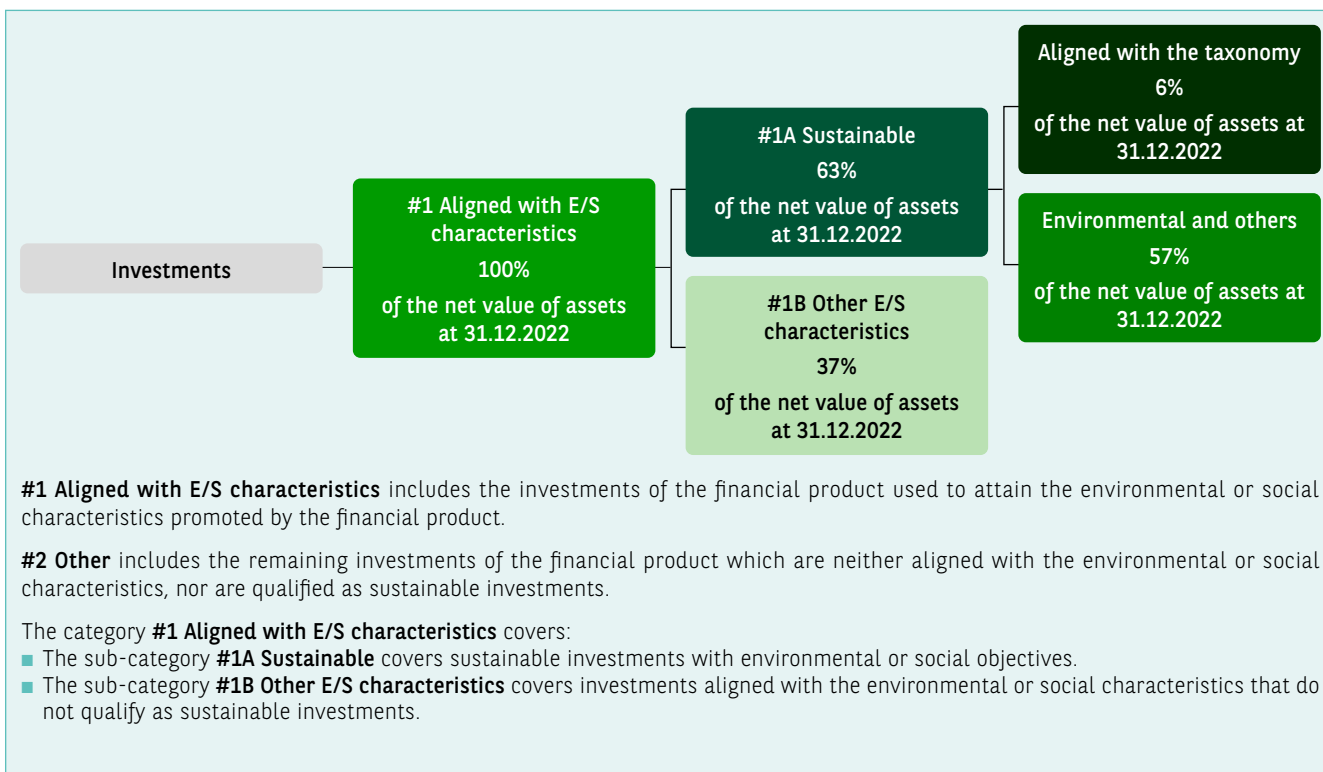


The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 1 January 2022 to 31 December 2022.



Asset allocation describes the share of investments in specific assets.





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.

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.

In which economic sectors were the investments made?

All investments were made in the real estate sector, which aligns with activity '7.7 Acquisition and ownership of buildings' defined by the EU Taxonomy and eligible for the criteria of the European Taxonomy.

As the fund is diversified, the assets represent the following types of buildings: offices, residences, hotels, retail, logistics and healthcare.



TO WHAT EXTENT WERE THE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

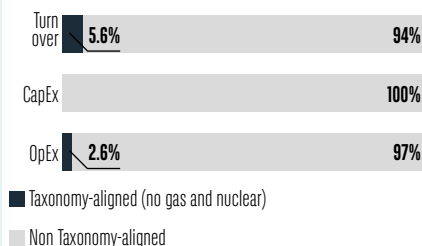
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

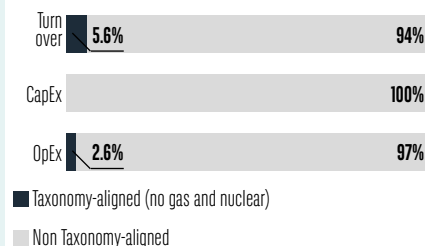
- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operationnal expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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 was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities relative to the European Taxonomy Regulation was, for the period covered by this report, 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This annual report is the first of its kind containing an annex drawn up according to the format outlined in Annex IV of the Delegated Regulation (EU) 2022/1288. This section is not applicable to the current annual report.



WHAT WAS THE SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE 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 Regulation (EU) 2020/852.

The share of sustainable investments with an environmental objective which are not aligned with the European Taxonomy Regulation was, for the period relative to this current report, 57%.

These are assets which enter into the fund's SRI approach with a rating and an SRI improvement action plan, but that does not have an EPD A or is in the top 15% of the local benchmark. These assets are still sustainable investments and take into consideration the principal adverse impacts on sustainability.

The share of sustainable investments with an environmental objective that were aligned with the European Taxonomy Regulation for the period covered by this annual report was 6%. These assets are aligned with the 'Reduction of climate change' Taxonomy objective.

EU Taxonomy Alignment Procedure

The Taxonomy regulation is currently limited to determining if an economic activity is environmentally sustainable. To prove the Taxonomy alignments of an economic activity, the following four steps must be verified, and total compliance must be proven.

- An investment is environmentally sustainable if it finances one or more economic activities judged to be environmentally sustainable according to the European Taxonomy Regulation.
- To be considered as environmentally sustainable, an economic activity must substantially contribute to one of the following environmental objectives:
 1. Climate change mitigation
 2. Adaptation to climate change
 3. Sustainable use and protection of water and ocean resources
 4. Transition towards a circular economy
 5. Pollution control and prevention
 6. Protection and restoration of biodiversity and ecosystems

The taxonomy regulation defines the "substantial contribution" for each environmental objective. The economic activities which completely comply with the respective environmental objective constitute a substantial contribution. Additionally, economic activities which directly allow other activities to substantially contribute to environmental objectives (enabling



activities) can also substantially contribute. For climate change mitigation, there is a third category of transitional activities. These are economic activities for which there are not currently any low-carbon economically viable alternatives, but which support the transition towards a carbon neutral economy. As such, these economic activities can also largely contribute to the climate change mitigation if they produce particularly low carbon emissions relative to the economic activities within their sector.

III. The economic activity must comply with the 'Do No Significant Harm' (DNSH) principle. All buildings aligned with the fund's taxonomy contribute substantially to the environmental objective of climate change mitigation and also comply with the selection criteria of the DNSH, so far available only for climate change adaptation.

The assets' climate risk exposure was evaluated with Deepki: earthquakes, fires, windstorms, heatwaves, drought, precipitation and landslides were assessed.

No significant risk exposure was found on ID Cologne A1 - Haus am Platz and ID Cologne A2 - Patio Haus assets. A heatwave risk (rating of 5) was identified on the Tanger 66 asset, which is not surprising, as the asset is located in Spain.

In each of the three cases, a more in-depth evaluation will be carried out in 2023 to ensure that no climate vulnerability has been found concerning the exposure to climate risks.

Compliance with the technical selection criteria concerning the principles of the DNSH is checked at least once a year.

IV. Finally, economic activity must be carried out in compliance with a minimum level of human rights and labour protections. Appropriate procedures must be implemented to ensure compliance with global agreements such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as international labour protection agreements. Consequently, compliance procedures and human resources procedures are established at the departmental level to ensure compliance with these minimum requirements.

BNPP REIM Taxonomic alignment verification process:

- I. "Real estate and construction" is classified by the Delegated Acts of the EU Taxonomy into seven different economic activities. These economic activities are as follows:
 - Construction and new buildings (1);
 - Renovation of existing buildings (2);
 - Installation and maintenance and repair of energy efficiency equipment (3);
 - Installation and maintenance and repair of charging stations for electric vehicles in buildings (4);
 - Installation and maintenance and repair of measuring and

regulating instruments and devices (5);

- Installation, maintenance and repair of renewable energy technologies (6);
- Acquisition and ownership of buildings (7).

All buildings aligned with the taxonomy of the fund are classified as economic activities according to (7): Acquisition and ownership of buildings. Compliance with the technical selection criteria is checked at least once a year.

II. To be considered environmentally sustainable, an economic activity must make a substantial contribution to one of the environmental objectives.

All buildings aligned with the taxonomy of the fund substantially contribute to the environmental objective of mitigating climate change for the economic activity of 'acquisition and ownership of buildings'. Compliance with the technical screening criteria is verified at least once a year.

III. Economic activity must comply with the 'Do No Significant Harm' (DNSH) principle.

All buildings aligned with the fund's taxonomy contribute substantially to the environmental objective of climate change mitigation and also comply with the NHDR screening criteria of the other five environmental objectives. Compliance with the technical screening criteria for the NHDR principles is verified at least once a year.

IV. Lastly, economic activity must be carried out with a minimum level of protection of human and labour rights.

BNPP REIM is a member of many associations working on the development of a more sustainable real estate sector and providing benchmarks, studies and market trends. The BNPP Group and its subsidiaries have committed to finalising various national and international framework agreements to structure its approach, including the UN Principles for Responsible Investment (UN PRI) and the UN Global Compact (UN GC). BNP Paribas REIM France has been a signatory to the UN PRI since 2012, and all other REIM entities have been signatories since 2019. BNP Paribas REIM reports annually to UN PRI for all REIM entities. BNPP REIM has adopted and integrated CSR commitments into internal policies and procedures.

BNPP REIM entities invest solely on behalf of their managed funds (no stakeholder engagement for investments due to absence of investments). During the investment decision-making process for acquiring funds, the adverse effects are assessed, and the appropriate measures are taken to manage, reduce, prevent, mitigate or fix them, as far as the sustainable investment strategy of each fund is stated. Each year these actions are implemented, and their results are presented to the funds and entities.



WHAT WAS THE SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

No minimum investment target for socially sustainable investments has been set. These funds did not have any socially sustainable investments during the reporting period.





WHAT INVESTMENTS WERE INCLUDED UNDER «OTHER», WHAT WAS THEIR PURPOSE AND WERE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

Category #2 Other includes the remaining investments of the fund that are neither aligned with environmental or social characteristics nor considered sustainable investments. This involves cash. There are no environmental or social safeguards for this cash, the purpose of which is to proceed with the withdrawal or

exclusion of investors, as well as to acquire real estate assets or real estate underlying assets falling under the category 'Aligned with E/S characteristics'. Their use and proportion do not affect the sustainable investment objective of the fund.

WHAT ACTIONS HAVE BEEN TAKEN TO MEET THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS DURING THE REFERENCE PERIOD?

During 2022, the fund implemented SRI action plans which were set after the building analysis using the SRI grid. These action plans are set on a three-year cycle. The actions undertaken aim to improve the SRI performance of the buildings, and cover several themes:

- Energy efficiency / carbon footprint;
- Pollution (soil pollution, asbestos, lead);
- Water management;
- Waste management;
- Environmental and social certifications and labels;
- Biodiversity;
- Occupant comfort and well-being;
- Mobility and accessibility;

- Building resilience;
- Stakeholder responsibility: sellers, property managers, tenants.

A rating is set by theme and in an overall sense. Within the framework of the fund's SRI label, the overall evolution of the ESG rating for each asset is monitored as well as the progress of its ESG action plan. These are validated in an annual follow-up audit by an external auditor to demonstrate progress.

Key monitoring indicators can be found in the response to the question "How did the sustainability indicators perform?".

HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED TO THE REFERENCE BENCHMARK?

No benchmark index was defined..

How does the reference benchmark differ from a broad market index?

N/A

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

How did this financial product perform compared with the reference benchmark?

N/A

How did this financial product perform compared with the broad market index?

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Template periodic 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: BNPP Diversipierre Stocks

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.



ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Old this financial product have a sustainable investment objective?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 62.8% of sustainable investments <input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

All data in the periodic report are calculated as of the closing date of the accounting year.

TO WHAT EXTENT WERE THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT MET?

The financial product promotes environmental and social characteristics by evaluating the underlying investments against environmental, social and governance (ESG) criteria using a proprietary ESG methodology, and by investing in issuers that demonstrate good environmental and social practices, while implementing sound corporate governance practices in their industry.

The Investment strategy consists of selecting businesses that apply ESG best practice in their industry. The ESG performance of an issuer is assessed against a combination of environmental, social and governance factors which include but are not limited to:

- On the environmental level: global warming and the fight against greenhouse gas (GHG) emissions, energy efficiency, saving natural resources, CO₂ emission levels and energy intensity;
- On the social level: employment management and restructuring, workplace accidents, training policy, remuneration, staff turnover and PISA (Programme for International Student Assessment) results;
- On the theme of corporate governance: the independence of the board of directors from management and control, the fight against corruption, respect for the freedom of the press;
- Negative screening, which applies exclusion criteria to issuers that violate international standards and conventions or are active in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

BNP Paribas Asset Management's sustainability strategy focuses on the fight against climate change. Given the importance of sovereign issuers in the fight against climate change, the in-country ESG methodology therefore includes an additional rating component that reflects the country's contribution to achieving the neutrality targets set by the Paris Agreement. Given the importance of sovereign issuers in the fight against climate change, the in-country ESG methodology therefore includes an additional rating component that reflects the country's contribution to achieving the neutrality targets set by the Paris Agreement. It combines the temperature alignment methodology for determining countries' contributions to climate change with an assessment of the legislation and policies in place to address climate change.

The management company also applies the sensitive countries framework of the BNP Paribas Group, which includes restrictive measures on certain countries and/or activities considered as particularly exposed to risks associated with money laundering or financing of terrorism.

Additionally, the management company aims to promote best practices by implementing an active engagement policy with their businesses towards responsible practices (individual and collective commitments for businesses, general assembly vote policy).

No benchmark standard has been defined to achieve the environmental or social characteristics promoted by the financial product.



The environmental and social targets to which the sustainable investments of the financial product have contributed are indicated under the question 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?'.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Les indicateurs de durabilité suivants sont utilisés pour mesurer la réalisation de chacune des caractéristiques environnementales ou sociales promues par le produit financier :

- The percentage of the financial product portfolio that complies with the RBC Policy: **100%**;
- The percentage of the financial product's portfolio (excluding cash held on an ancillary basis) that is covered by the ESG analysis based on the proprietary ESG methodology of the management company and external financial managers: **99.5%**;
- The average weighted ESG rating of the financial product's portfolio compared to the weighted average rating of the reference investment universe: **64.59 vs 64.30 (100% FTSE EPRA NAREIT Europe (25% UK Capped) 8/32 (EUR) NR (Lux tax rate)**;
- The percentage of the portfolio of the financial product invested in 'sustainable investments' as defined in article 2 (17) of the SFDR Regulation: **62.8%**.

... and compared to previous periods?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investments made by the financial product aim to finance companies that contribute to environmental and/or social objectives through their products and services and their sustainable practices. The proprietary method includes different criteria in its definition of sustainable investments which are considered as essential components to qualify a business as 'sustainable'. These criteria are complementary to one another. In practice, an issuer must meet at least one of the criteria described below to be considered as contributing to an environmental or social objective:

1. A company whose economic activity is aligned with the objectives of the EU Taxonomy Regulation. A company can qualify as a sustainable investment if more than 20% of its revenues are aligned with the EU Taxonomy. A company qualifying as a sustainable investment through this

criterion may, for example, contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sanitation, waste management and remediation, sustainable transport, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company whose economic activity contributes to one or more of the UN Sustainable Development Goals (UN SDGs). A company qualifies as a sustainable investment if more than 20% of its revenues are aligned with the UN SDGs and less than 20% of its revenues are not aligned with them. A company meeting this sustainable investment criterion can, for example, contribute to the following goals:

a. Environment: sustainable agriculture; sustainable water and sanitation management; sustainable and modern energy; sustainable economic growth; sustainable infrastructure; sustainable cities; sustainable consumption and production patterns; combating climate change; conservation and sustainable use of oceans, seas and marine resources; protection, restoration and sustainable use of terrestrial ecosystems; sustainable forest management; combating desertification, land degradation and biodiversity loss,

b. Social: Eradication of poverty; alleviation of hunger; food security; healthy lives and well-being at all ages; inclusive and equitable quality education and lifelong learning opportunities; gender equality; empowerment of women and girls; availability of water and sanitation, affordable access; 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 the high-greenhouse gas (GHG) emissions sector that is evolving its business model to meet the objective of keeping global temperature increase below 1.5°C. A company qualifying as a sustainable investment under this criterion may, for example, contribute to the following environmental objectives: reducing GHG emissions, combating climate change;
4. A company with best-in-class environmental or social practices compared to its peers in the relevant sector and geographical



region. The assessment of best-in-class E or S performance is based on BNPP AM's ESG rating methodology. The methodology evaluates companies and assesses them against a peer group comprising companies from comparable sectors and geographical regions. A company with a contribution score above 10 for either the environmental or social pillar is considered the best performer. A company meeting this sustainable investment criterion may, for example, contribute to the following objectives:

- a. Environment: combating climate change; environmental risk management; sustainable natural resource management; 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 readiness; good corporate governance.

Green, social and sustainable bonds issued to support specific environmental and/or social projects also qualify as sustainable investments provided that these debt securities receive a "POSITIVE" or "NEUTRAL" investment recommendation from the Sustainability Centre following an assessment of the issuer and the underlying project based on a proprietary green/social/sustainable bond assessment methodology.

Companies identified as sustainable investments must not significantly undermine other environmental or social objectives (DNSH) and must apply good governance practices. BNP Paribas Asset Management (BNPP AM) uses its internal methodology to assess all companies against these requirements.

Our analysis of the principal adverse impacts on the sustainability factors consists of the following exclusions:

- Issuers with significant controversy. This indicator is an absolute measure that depends on the severity of the controversy.
- Issuers in decile 10 of our ESG Scoring model; The ESG rating indicator is primarily relative to peers, but also includes a controversy indicator which is absolute;
- RBC Watchlist. This is an absolute indicator that identifies issuers that are at risk of breaching the standards set out in our RBC Guidelines (UGC, OECD MNEs and sector policy requirements).

Further information on the internal methodology can be found on the management company's website: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability).

The share of the financial product's investments considered by the SFDR Regulation as sustainable investments contributes in the proportions described in the question on asset allocation to the environmental objectives defined in the EU Regulation on the taxonomy in force today: climate change mitigation and/or adaptation.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments that the financial product intends to partially make must do no significant harm (DNSH) to an environmental or social objective. In this respect, the management company undertakes to analyse the principal adverse impacts on sustainability factors taking into account the negative impact indicators as defined in the SFDR Regulation and not to invest in issuers that do not comply with the standards set by the OECD and UN guidelines on business and human rights.

How were the indicators for adverse impacts on sustainability factors taken into account?

Throughout its investment process, the management company ensures that the financial product takes into account the principal adverse impact indicators relevant to its investment strategy in order to select sustainable investments for the financial product by systematically implementing, in its investment process the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS): Responsible business conduct; ESG integration; voting policy; dialogue and engagement; forward-looking vision: the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth).

The RBC Policy establishes a common framework for all investments and economic activities that helps to identify sectors and

behaviours that are at high risk of negative impacts in violation of international standards. Under the RBC Policy, sectoral policies provide a tailored approach to identifying and prioritising key negative impacts based on the nature of the economic activity and, in many cases, the geographical area in which it takes place.

The ESG Integration Rules include a series of commitments that are important to mitigate key negative impacts on sustainability factors and guide the internal ESG integration process. The proprietary ESG rating methodology includes the assessment of a number of negative impacts on sustainability factors caused by the companies in which we invest. The outcome of this assessment may impact valuation models as well as portfolio

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, anticorruption and antibribery matters.



construction depending on the severity and importance of the negative impacts identified.

As a result, the management company considers key negative sustainability impacts throughout the investment process by relying on proprietary ESG ratings and creating a portfolio with an improved ESG profile compared to its benchmark investment universe.

As part of its forward-looking vision, the management company defines a set of objectives and performance indicators to measure how research, portfolios and commitments are aligned with three identified key themes, the “3Es” (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

In addition, the Stewardship team regularly identifies negative impacts through ongoing research, collaboration with other investors and dialogue with NGOs and other experts.

The indicators for negative impacts on sustainability factors used in this framework are:

Mandatory indicators for companies:

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 by high-climate impact sectors
7. Activities that negatively impact biodiversity-sensitive areas
8. Discharges to water
9. Ratio of hazardous waste and radioactive waste
10. Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Gender balance in governance bodies
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Optional indicators for companies:

Environmental indicators

4. Investments in companies without carbon reduction initiatives

Social

4. Lack of a code of conduct for suppliers
9. Lack of a human rights policy

Mandatory indicators for sovereign assets

15. GHG intensity
16. Countries of investment with violations of social standards

BNPP AM's SFDR Statement: “Integration of sustainability risk and consideration of key adverse impacts” contains detailed information on the consideration of principal adverse impacts on sustainability factors.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Sustainable investments are regularly analysed to identify issuers that may be in breach of the UN Global Compact Principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions cited in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is carried out by BNPP AM's Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with the BNP Paribas Group CSR team. In the event of a serious and repeated breach of these principles, the issuer is placed on an “exclusion list” and may no longer be invested in. Existing investments must be removed from the portfolio in accordance with an internal procedure. If an issuer is considered likely to breach any of the principles, it is placed on a “watch list”, if 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 Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



HOW DID THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

The financial product addresses key negative impacts on sustainability factors by systematically implementing the responsible investment pillars defined in the GSS in its investment process. These pillars are governed by company-wide policies that define criteria for identifying, reviewing and prioritising, and managing or mitigating negative impacts on sustainability factors caused by issuers.

The RBC Policy establishes a common framework for all investments and economic activities that helps to identify sectors and behaviours that are at high risk of negative impacts in violation of international standards. Under the RBC Policy, sectoral policies provide a tailored approach to identifying and prioritising key negative impacts based on the nature of the economic activity and, in many cases, the geographical area in which it takes place.

The ESG Integration Rules include a series of commitments that are important to mitigate key negative impacts on sustainability factors and guide the internal ESG integration process. The proprietary ESG rating methodology includes the assessment of a number of negative impacts on sustainability factors caused by the companies in which we invest. The outcome of this assessment may impact valuation models as well as portfolio construction depending on the severity and importance of the negative impacts identified.

As a result, the management company considers key negative sustainability impacts throughout the investment process by relying on proprietary ESG ratings and creating a portfolio with an improved ESG profile compared to its benchmark investment universe.

As part of its forward-looking vision, the management company defines a set of objectives and performance indicators to measure how research, portfolios and commitments are aligned with three identified key themes: the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

In addition, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other investors and dialogue with NGOs and other experts.

Measures to manage or mitigate key negative impacts on sustainability factors depend on the severity and significance of these impacts. These measures are based on the RBC Policy, the ESG Integration Rules and the Engagement and Voting Policy, which include the following provisions:

- Exclusion of issuers that violate international standards and conventions and issuers involved in activities that present an unacceptable risk to society and/or the environment;
- Dialogue with issuers to encourage them to improve their environmental, social and governance practices and thereby mitigate potential negative impacts;
- Voting at annual general meetings of portfolio companies to promote good governance and advance environmental and social issues;
- Ensure that all securities included in the portfolio are associated with successful ESG research;
- Manage portfolios to ensure that their overall ESG rating exceeds that of the benchmark;

Based on the above approach and depending on the portfolio composition of the financial product (i.e., the type of issuer), the financial product takes into account and manages or mitigates the following principal adverse impacts on the sustainability factors:

Mandatory indicators for companies:

1. Greenhouse Gas Emissions (GHG)
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 by high climate impact sectors
7. Activities that negatively impact biodiversity-sensitive areas
8. Discharges to water
9. Ratio of hazardous waste and radioactive waste
10. Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Gender balance in governance bodies
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Optional indicators for companies:

Environmental indicators

4. Investments in companies without carbon reduction initiatives

Social

4. Lack of a code of conduct for suppliers
9. Lack of a human rights policy

Mandatory indicators for sovereign assets:

15. GHG intensity
16. Countries of investment with violations of social standards

BNPP AM's SFDR: Integrating Sustainability Risk and Addressing Principal Adverse Impacts contains detailed information on the consideration of principal adverse impacts on sustainability factors.





The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 1 January 2022 to 31 December 2022.

WHAT WERE THE TOP INVESTMENTS OF THIS FINANCIAL PRODUCT?

Largest investments	Sector	% of assets*	Country
PSP SWISS PROPERTY AG N	Real estate	8.57%	Switzerland
SEGRO REIT PLC REIT	Real estate	6.50%	United Kingdom
GECINA SA REIT	Real estate	6.49%	France
VONOVIA	Real estate	5.78%	Germany
KLEPIERRE REIT SA REIT	Real estate	5.77%	France
LAND SECURITIES GROUP REIT PLC REIT	Real estate	5.06%	United Kingdom
COFINIMMO REIT SA REIT	Real estate	4.65%	Belgium
WAREHOUSES DE PAUW NV REIT	Real estate	4.19%	Belgium
AEDIFICA NV REIT	Real estate	4.06%	Belgium
MERLIN PROPERTIES REIT SA REIT	Real estate	4.03%	Spain
INMOBILIARIA COLONIAL SA REIT	Real estate	4.00%	Spain
UNIBAIL RODAMCO WE STAPLED UNITS REI_UNT	Real estate	4.00%	France
COVIVIO SA REIT	Real estate	3.95%	France
GRAINGER PLC	Real estate	3.95%	United Kingdom
UNITE GROUP PLC REIT	Real estate	3.71%	United Kingdom

Source: BNP Paribas Asset Management, as at 30.12.2022. Larger investments are based on official accounting data and on the transaction date.

*Any percentage differences with the financial statement portfolios are due to rounding differences.



Asset allocation describes the share of investments in specific assets.

WHAT WAS THE PROPORTION OF SUSTAINABILITY-RELATED INVESTMENTS?

What was the asset allocation?

The investments used to meet the environmental or social criteria promoted by the financial product taking into account the binding elements of its investment strategy represent the proportion of assets with a positive ESG rating combined with a positive E rating or a positive S rating and the proportion of assets qualified as sustainable investments according to BNPP AM's internal ESG methodology.

The proportion of investments used to meet the environmental or social criteria promoted by the financial product is **82.3%**.

The proportion of sustainable investments is **62.8%**.

The remaining proportion of investments may include:

- The proportion of assets that do not meet the standards set by the management company, i.e., assets that do not have a positive ESG rating combined with a positive E or S rating and assets that do not qualify as sustainable investments. These assets are used for investment purposes or;

- Instruments that are primarily used for the purpose of liquidity, efficient portfolio management and/or hedging, such as cash, deposits and derivatives.

The management company will ensure that these investments are made while maintaining the ESG profile of the financial product. In addition, these investments are made in accordance with our internal processes, and with the following minimum environmental or social safeguards:

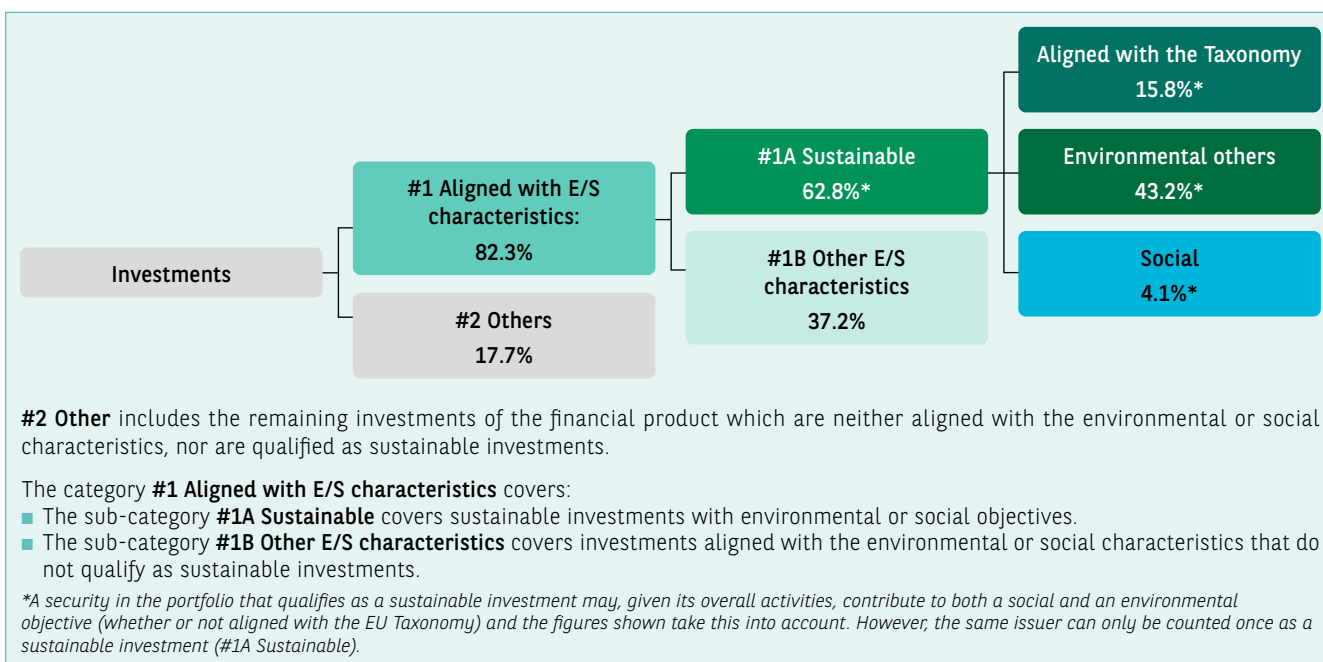
- Risk management policy. The risk management policy sets out the procedures necessary for the management company to assess the exposure of each financial product it manages to market, liquidity, sustainability and counterparty risks.
- The RBC Policy, where appropriate, excluding companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as issuers active in sensitive sectors (tobacco, coal, controversial weapons, asbestos, etc.) as these companies are considered to be in breach of international standards or to be causing unacceptable harm to society and/or the environment.

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.

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.





In which economic sectors were the investments made?

Sectors	% Assets
Real estate	97.0%
Cash and cash equivalents	3.0%

Source: BNP Paribas Asset Management, as at 30.12.2022

The largest investments are based on official accounting data and on the transaction date.



TO WHAT EXTENT WERE THE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

The financial product did not commit to a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable according to the EU Taxonomy but did make some.

The two charts below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The Management company is currently improving its EU Taxonomy alignment data collection systems to ensure the accuracy and adequacy of sustainability disclosures under the EU Taxonomy Regulation. Further updates to the prospectus and the EU Taxonomy alignment of commitments may be made accordingly.

Economic activities that are not recognised by the EU Taxonomy are not necessarily environmentally harmful or unsustainable. Furthermore, not all activities that can make a substantial contribution to environmental and social objectives are yet included in the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy²?

- ☐ Yes :
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

At the date of the end of the financial year and the preparation of the annual report, the data is not available, and the management company does not have the information for the previous financial year.

² 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.

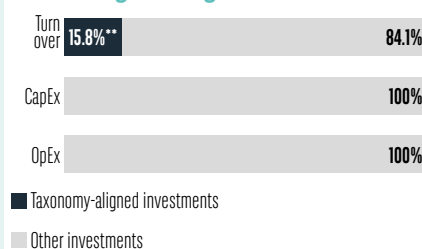


Taxonomy-aligned activities are expressed as a share of:

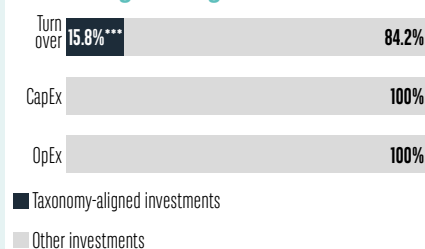
- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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*



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

** Actual taxonomy alignment

*** Actual taxonomy alignment. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy excluding sovereign bonds. The percentage of investments aligned with the taxonomy including sovereign bonds being by construction a minimum real proportion, this same figure is included accordingly.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities according to the Taxonomy Regulation is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable for the first periodic report

Enabling activities directly enable other activities to contribute substantially to the achievement of an environmental objective.

Transitional activities are activities for which carbon-neutral alternatives do not yet exist and, among other things, whose greenhouse gas emission levels correspond to the best achievable performance.



WHAT WAS THE SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE NOT ALIGNED WITH THE EU TAXONOMY?

The share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy Regulation is **43.2%**.

Therefore, the Management company is currently improving its EU Taxonomy alignment data collection systems to ensure the accuracy and adequacy of the published sustainability information under the EU Taxonomy Regulation. In the meantime, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



WHAT WAS THE SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

Socially sustainable investments represent **4.1%** of the financial product.



WHAT INVESTMENTS WERE INCLUDED UNDER «OTHER», WHAT WAS THEIR PURPOSE AND WERE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The remaining proportion of investments may include:

- The proportion of assets that do not meet the standards set by the management company, i.e., assets that do not have a positive ESG rating combined with a positive E or S rating and assets that do not qualify as sustainable investments. These assets are used for investment purposes or
- Instruments that are primarily used for liquidity, efficient portfolio management and/or hedging purposes such as cash, deposits and derivatives

The management company will ensure that these investments are made while maintaining the ESG profile of the financial product. In addition, these investments are, where appropriate, made in accordance with our internal processes, including compliance with the following minimum environmental or social safeguards:

- **Risk management policy.** The risk management policy sets out the procedures necessary for the management company to assess the exposure of each financial product it manages to market, liquidity, sustainability and counterparty risks.

are sustainable Investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- The RBC Policy, where appropriate, excluding companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as issuers active in sensitive sectors (tobacco, coal, controversial weapons,

asbestos, etc.) as these companies are considered to be in breach of international standards or to be causing unacceptable damage to society and/or the environment.

WHAT ACTIONS HAVE BEEN TAKEN TO MEET THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS DURING THE REFERENCE PERIOD?

The financial product should comply with the RBC Policy by excluding companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as issuers active in sensitive sectors (tobacco, coal, controversial weapons, asbestos, etc.) as these companies are considered to be in breach of international standards or to be causing unacceptable damage to society and/or the environment

More information on RBC's policy, and in particular the criteria for sector exclusions, can be found on the management company's website: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability-documents);

- The ESG analysis based on the proprietary ESG methodology must cover at least 90% of the assets of the financial product (excluding cash held on an ancillary basis);
- The weighted average ESG rating of the financial product's portfolio must be higher than the weighted average ESG rating of its investment universe after eliminating at least 20% of the lowest-rated stocks in that

investment universe;

- The financial product must invest at least 30% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR Regulation, as indicated in the section on asset allocation below. The criteria for qualifying an investment as a 'sustainable investment' are set out in the question above, '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?', and the quantitative and qualitative thresholds are set out in the methodology available on the management company's website.

In addition, the management company has a voting and engagement policy in place. Several examples of commitments are detailed in the voting and commitment section of the Sustainability Report. These documents can be found at the following link: <https://www.bnpparibas-am.com/fr/documentation-sustainability/>

HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED TO THE REFERENCE BENCHMARK?

No benchmark has been designated to achieve the environmental or social characteristics promoted by the financial product.

How does the reference benchmark differ from a broad market index?

Non applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Non applicable.

How did this financial product perform compared with the reference benchmark?

Non applicable.

How did this financial product perform compared with the broad market index?

Non applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Product name: BNPP Diversipierre Bonds

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Old this financial product have a sustainable investment objective?

☐ Yes

☒ No

☐ It made 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 made sustainable investments with a social objective: ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 44.2% 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 promoted E/S characteristics, but **did 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.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

All data in the periodic report are calculated as of the closing date of the accounting year.

TO WHAT EXTENT WERE THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT MET?

The financial product promotes environmental and social characteristics by assessing the underlying investments against environmental, social and governance (ESG) criteria using an internal ESG methodology, and by investing in issuers that demonstrate good environmental, social and governance practices.

Issuing companies

The investment strategy selects:

Issuers with good or improving ESG practices in their industry. The ESG performance of an issuer is assessed based on 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: living conditions, economic inequalities, education, employment, health infrastructure, human capital;
- Governance: corporate rights, corruption, democratic life, political stability, security.

Exclusion criteria are applied in relation to issuers that are in violation of international standards and conventions, or that operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

In addition, the investment manager promotes better environmental and social outcomes by engaging with issuers and exercising voting rights in accordance with the Stewardship policy, where applicable. No benchmarks have been designated to achieve the environmental

or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product contributed are indicated in the question, 'What were the objectives of the sustainable investments that the financial product partially made, and how did the sustainable investment contribute to such objectives?'

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product:

- Percentage of the financial product portfolio in compliance with the RBC policy: **100%**;
- Percentage of the financial product portfolio covered by an ESG analysis based on ESG's proprietary methodology: **98.7%**;
- The percentage reduction in the investment universe of the financial product due to the exclusion of securities with a low ESG rating and/or sector exclusions in accordance with the RBC Policy: **25.3%**;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe: **64.4 VS 59.4 (BBG Euro Aggregate Securitized 500MM Index)**;
- The percentage of the portfolio of the financial product invested in «sustainable investments», as defined in article 2 (17) of the SFDR regulation: **44.2%**.



... and compared to previous periods?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investments made by the financial product aim to finance companies that contribute to environmental and/or social objectives through their products and services and their sustainable practices.

The proprietary methodology incorporates various criteria in its definition of sustainable investments that are considered essential components of a company's sustainability credentials. These criteria are complementary to each other. In practice, an issuer must meet at least one of the criteria described below to be considered as contributing to an environmental or social objective:

1. A company whose economic activity is aligned with the objectives of the EU Taxonomy Regulation. A company can qualify as a sustainable investment if more than 20% of its revenues are aligned with the EU taxonomy. A company qualifying as a sustainable investment through this criterion may, for example, contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sanitation, waste management and remediation, sustainable transport, sustainable buildings, sustainable information and technology, scientific research for sustainable development;
2. A company whose economic activity contributes to one or more of the UN Sustainable Development Goals (UN SDGs). A company qualifies as a sustainable investment if it has more than 20% of its revenues aligned with the UN SDGs and less than 20% of its revenues not aligned with them. A company meeting this sustainable investment criterion can, for example, contribute to the following goals:
 - a. Environment: sustainable agriculture; sustainable water and sanitation; sustainable and modern energy; sustainable economic growth; sustainable infrastructure, sustainable cities; sustainable consumption and production patterns; combating climate change; conservation and sustainable use of oceans, seas and marine resources; protection, restoration and sustainable use of terrestrial ecosystems; sustainable forest management; combating desertification; land degradation and biodiversity loss,
 - b. Social: Eradication of poverty; alleviation of hunger; food security; healthy lives and well-being at all ages; inclusive and equitable quality education and lifelong learning opportunities; gender equality; empowerment of women and girls; availability of water and sanitation, affordable access; 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 the high-greenhouse gas (GHG) emissions sector that is evolving its business model to meet the objective of keeping global temperature increase below 1.5°C. A company qualifying as a sustainable investment under this criterion may, for example, contribute to the following environmental objectives: reducing GHG emissions, combating climate change;

4. A company with best-in-class environmental or social practices compared to its peers in the relevant sector and geographical region. The assessment of best-in-class E or S performance is based on BNPP AM's ESG rating methodology. The methodology evaluates companies and assesses them against a peer group comprising companies from comparable sectors and geographical regions. A company with a contribution score above 10 for either the environmental or social pillar is considered the best performer. A company meeting this sustainable investment criterion may, for example, contribute to the following objectives:

- a. Environment: combating climate change; environmental risk management; sustainable natural resource management; 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 readiness; good corporate governance.

Green social and sustainable bonds issued to support specific environmental and/or social projects also qualify as sustainable investments provided that these debt securities receive a «POSITIVE» or «NEUTRAL» investment recommendation from the Sustainability Centre following an assessment of the issuer and the underlying project based on a proprietary green/social/sustainable bond assessment methodology.

Companies identified as sustainable investments must not significantly undermine other environmental or social objectives (DNSH) and must apply good governance practices. BNP Paribas Asset Management (BNPP AM) uses its internal methodology to assess all companies against these requirements.

Further information on the internal methodology can be found on the management company's website: [Sustainability documents - bnpp am corporate english \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability)

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments that the product intends to make in part must not significantly impair an environmental or social objective (DNSH). In this respect, the management company undertakes to analyse the principal adverse impacts on sustainability factors considering the negative impact indicators as defined in the SFDR Regulation and not to invest in issuers that do not comply with the standards set by the OECD and UN guidelines on business and human rights.

How were the indicators for adverse impacts on sustainability factors taken into account?

The ESG integration guidelines include a series of commitments that are important for the consideration of key negative sustainability impacts and guides the internal ESG integration process. The proprietary ESG rating framework includes an assessment of several negative sustainability impacts caused by the companies in which we invest. The results of this assessment may have an impact on the valuation models as well as on the portfolio construction, depending on the severity and materiality of the impact.

Thus, the Investment Manager takes into account the principal adverse impacts on sustainability throughout the investment process by using the sustainability assessment model throughout the investment process, using internal ESG scores and constructing the portfolio with an improved ESG profile compared to the investor's portfolio with an improved ESG profile compared to its investment universe.



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, anticorruption and antibribery matters.

The forward-looking perspective defines a set of objectives and performance indicators developed to measure how the investment manager researches and implements sustainability strategies and performance indicators developed to measure the alignment of research, portfolios and commitments on the «3Es» (Energy transition, Environmental sustainability, Equality and inclusive growth) and thus support the investment processes.

In addition, the Responsible Care team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following key indicators of negative impacts on sustainable development:

Mandatory indicators for companies:

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 by high climate impact sectors;
7. Activities that negatively impact biodiversity-sensitive areas
8. Discharges to water
9. Ratio of hazardous waste and radioactive waste
10. Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Gender balance in governance bodies
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Optional indicators for companies:

Environmental indicators:

4. Investments in companies without carbon emission reduction initiatives

Social indicators:

4. Lack of a code of conduct for suppliers
9. Lack of a human rights policy

BNPP AM's SFDR Statement: "Integrating Sustainability Risk and Addressing Principal Adverse Impacts" contains detailed information on the consideration of key adverse impacts on sustainability factors: <https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF>

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Sustainable investments are regularly analysed to identify issuers who may breach the UN Global Compact Principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions cited in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is carried out by BNPP AM's Sustainability Centre based on internal analysis and information provided by external experts, and in consultation with the BNP Paribas Group CSR team. In the event of serious and repeated non-compliance with these principles, the issuer is placed on an 'exclusion list' and is no longer eligible for investment. Existing investments must be removed from the portfolio in accordance with an internal procedure. If an issuer is considered likely to breach any of the principles, it is placed on a 'watch list', if 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 Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

HOW DID THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

The product addresses key negative impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the ESG strategy in its investment process. These pillars are covered by company-wide policies that define criteria for identifying, considering and prioritising as well as addressing or mitigating negative sustainability impacts caused by issuers.

The RBC Policy establishes a common framework for all investments and economic activities that helps to identify industries and behaviours that are at high risk of negative impacts in violation of international standards. Within the RBC Policy, sectoral policies provide a tailored approach to identifying and prioritising key negative impacts according to the nature of the company's activities.

The ESG integration guidelines include a series of commitments, which are important for addressing key negative sustainability impacts, and guide the internal ESG integration process. The proprietary ESG rating framework includes an assessment of several negative sustainability impacts caused by the companies in which we invest. The results of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and importance of the identified adverse impacts.

Thus, the investment manager considers the principal adverse impacts on sustainable development throughout the investment process by using internal ESG scores and constructing the portfolio with an improved ESG profile compared to its investment universe.

The forward-looking perspective defines a set of objectives and performance indicators developed to measure how research, portfolios and commitments are aligned with the «3Es» (Energy Transition, Environmental Sustainability, Equality and Inclusive Growth) and thus support investment processes.

In addition, the Stewardship team regularly identifies negative impacts through ongoing research, collaboration with other long-term investors and dialogue with NGOs and other experts.

Actions taken to address or mitigate key negative sustainability impacts depend on the severity and significance of those impacts. These actions are guided by the RBC Policy, the ESG Integration Guidelines and the Engagement and Voting Policy, which include the following provisions:

- Exclusion of emitters that violate international standards and conventions and issuers involved in activities that present an unacceptable risk to society and/or the environment;
- Dialogue with emitters to encourage them to improve their environmental, social and governance practices and thereby mitigate potential negative impacts;
- Voting at the annual general meetings of portfolio companies to promote good governance and advance environmental and social issues;
- Ensure that all securities included in the portfolio are associated with successful ESG research;

- Manage portfolios to ensure that their overall ESG rating exceeds that of the benchmark index or universe.

Based on the above approach and depending on the portfolio composition of the financial product (i.e., the type of emitter), the financial product considers and manages or mitigates the following principal adverse impacts on the sustainability factors:

Mandatory indicators for companies:

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 by high climate impact sectors
7. Activities that negatively impact biodiversity-sensitive areas
8. Emissions into water
9. Hazardous waste rate
10. Violations of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
11. Lack of processes and mechanisms to monitor compliance with the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
12. Unadjusted gender pay gap
13. Gender diversity in the board of directors
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)

Optional indicators for companies: Environmental indicators

4. Investments in companies without carbon reduction initiatives

Social

4. Lack of a code of conduct for suppliers
9. Lack of a human rights policy

BNPP AM's SFDR declaration: Integrating Sustainability Risk and Addressing Key Adverse Impacts contains detailed information on the consideration of key adverse impacts on sustainability factors.



The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 1 January 2022 to 31 December 2022 .

WHAT WERE THE TOP INVESTMENTS OF THIS FINANCIAL PRODUCT?

Largest investments	Sector	% Assets*	Country
STADSHYPOTEK AB 0.38 PCT 13-MAR-2026	Finance	4.11%	Sweden
BANCO SANTANDER TOTTA SA 0.88 PCT 25-APR-2024	Finance	3.40%	Portugal
BPCE SFH 0.38 PCT 21-FEB-2024	Finance	3.05%	France
CREDIT AGRICOLE ITALIA SPA 0.38 PCT 20-JAN-2032	Finance	2.90%	Italy
CAJA RURAL DE NAVARRA S COOP DE CREDITO 0.88 PCT 08-MAY-2025	Finance	2.58%	Spain
UNICREDIT BANK AG 0.63 PCT 20-NOV-2025	Finance	2.20%	Germany
AXA HOME LOAN SFH 0.01 PCT 16-OCT-2029	Finance	2.13%	France
KOREA HOUSING FINANCE CORP 0.01 PCT 29-JUN-2026	Finance	2.04%	Republic of Korea
SOCIETE GENERALE SFH 0.50 PCT 28-JAN-2026	Finance	2.02%	France
COMMERZBANK AG 0.63 PCT 28-MAY-2025	Finance	1.98%	Germany
LANDESBANK BADEN-WUERTTEMBERG 0.01 PCT 17-JUN-2026	Finance	1.92%	Germany
IBERCAJA BANCO SA 0.25 PCT 18-OCT-2023	Finance	1.91%	Spain
ABN AMRO BANK NV 0.88 PCT 14-JAN-2026	Finance	1.78%	Netherlands
DZ HYP AG 0.01 PCT 27-OCT-2028	Finance	1.76%	Germany
LA BANQUE POSTALE HOME LOAN SFH SA 2.38 PCT 15-JAN-2024	Finance	1.62%	France

Source: BNP Paribas Asset Management, as at 30.12.2022

The largest investments are based on official accounting data and are based on the transaction date.

* Any percentage differences with the financial statement portfolios are due to rounding differences.



Asset allocation describes the share of investments in specific assets.

WHAT WAS THE PROPORTION OF SUSTAINABILITY-RELATED INVESTMENTS?

What was the asset allocation?

The investments used to meet the environmental or social criteria promoted by the financial product which consider the binding elements of its investment strategy represent, for investments in internal funds, the proportion of assets with a positive ESG rating combined with a positive E rating or a positive S rating and the proportion of assets qualified as sustainable investments according to BNPP AM's internal ESG methodology.

The proportion of investments used to meet the environmental or social criteria promoted by the financial product is **94.6%**.

The proportion of sustainable investments is **44.2%**.

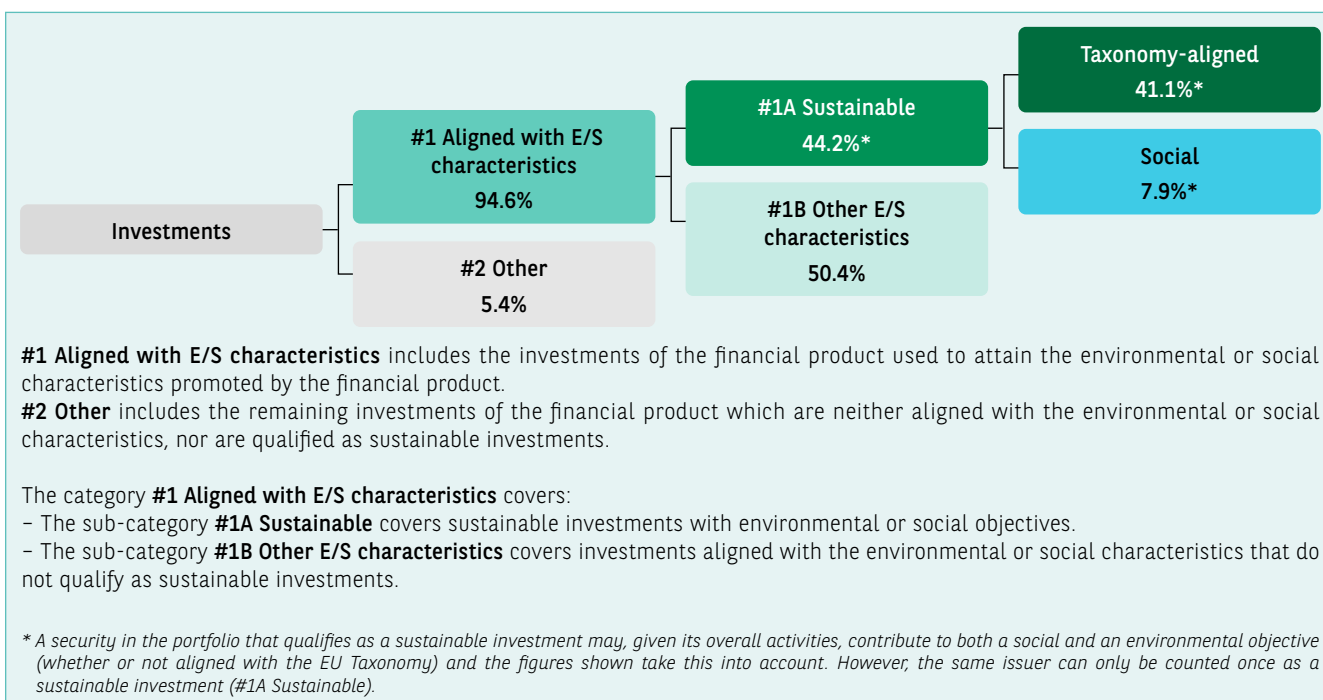
The remaining proportion of investments may include:

- The proportion of assets that do not meet the standards set by the management company, i.e., assets that do not have a positive ESG rating combined with a positive E or S rating and assets that do not qualify as sustainable investments. These assets are used for investment purposes or

- Instruments that are primarily used for liquidity, efficient portfolio management and/or hedging purposes, such as cash, deposits, and derivatives

The management company will ensure that these investments are made while maintaining the ESG profile of the financial product. In addition, these investments are made in accordance with our internal processes, and with the following minimum environmental or social safeguards:

- Risk management policy. The risk management policy sets out the procedures necessary for the management company to assess the exposure of each financial product it manages to market, liquidity, sustainability, and counterparty risks.
- The RBC Policy, where appropriate, excludes companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as issuers active in sensitive sectors (tobacco, coal, controversial weapons, asbestos, etc.) as these companies are considered to be in breach of international standards or to be causing unacceptable damage to society and/or the environment.



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.

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.

In which economic sectors were the investments made?

Sectors	% of assets
Finance	94.55%
Real estate	3.50%
Other	1.00%
Cash and cash equivalents	0.95%

Source: BNP Paribas Asset Management, as at 30.12.2022

The most important investments are based on official accounting data and are based on the transaction date.



TO WHAT EXTENT WERE THE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

The financial product did not commit to a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable according to the EU Taxonomy, nor did it make any.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy³?

☐ Yes :

- ☐ In fossil gas
- ☐ In nuclear energy

☒ No

At the date of the end of the financial year and the preparation of the annual report, the data is not available, and the management company does not have the information for the previous financial year

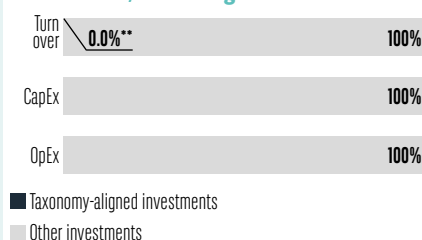
³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

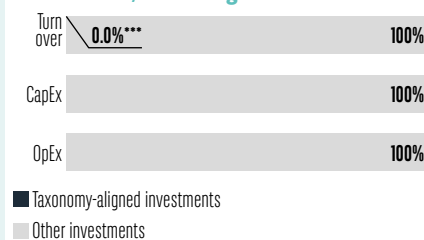
- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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. Alignement des investissements sur la taxinomie, dont obligations souveraines*



2. Alignement des investissements sur la taxinomie, hors obligations souveraines*



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

** Actual taxonomy alignment

*** Actual taxonomy alignment. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy excluding sovereign bonds. The percentage of investments aligned with the taxonomy including sovereign bonds being by construction a minimum real proportion, this same figure is included accordingly.

Enabling activities directly enable other activities to contribute substantially to the achievement of an environmental objective.

Transitional activities are activities for which carbon-neutral alternatives do not yet exist and, among other things, whose greenhouse gas emission levels correspond to the best achievable performance.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities according to the Taxonomy Regulation is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable for the first periodic report.



WHAT WAS THE SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE NOT ALIGNED WITH THE EU TAXONOMY?

The share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy Regulation is **41.1%**.

The Management company is currently improving its EU Taxonomy alignment data collection systems to ensure the accuracy and adequacy of the published sustainability information under the EU Taxonomy Regulation. In the meantime, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



WHAT WAS THE SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

Socially sustainable investments represent **7.9%** of the financial product.



are sustainable Investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



WHAT INVESTMENTS WERE INCLUDED UNDER «OTHER», WHAT WAS THEIR PURPOSE AND WERE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The remaining proportion of investments may include:

- The proportion of assets that do not meet the minimum standard for meeting the environmental or social characteristics promoted by the financial product, i.e., the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets that qualify as Sustainable Investment, both based on BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments that are primarily used for liquidity, efficient portfolio management and/or hedging purposes, including cash, deposits and derivatives.



In all cases, the investment manager will ensure that these investments are made in a way that maintains the ESG profile of the financial product. In addition, these investments are made in accordance with our internal processes, including the following minimum environmental or social safeguards:

- Risk management policy. The risk management policy includes the procedures necessary for 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 appropriate, excludes companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, etc.), as these companies are deemed to violate international standards, or cause unacceptable damage to society and/or the environment.

WHAT ACTIONS HAVE BEEN TAKEN TO MEET THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS DURING THE REFERENCE PERIOD?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor human and labour rights, environmental and corruption practices, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos, etc.), as these companies are deemed to violate international standards or cause unacceptable harm to society and/or the environment. Further information on RBC's policy, and in particular the criteria for sector exclusions, is available on the RBC website: Sustainability Documents - Sustainability Documents - BNPP AM Corporate English (<https://www.bnpparibasam.com/sustainability-documents/>)
- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by ESG analysis based on the internal proprietary ESG methodology
- The investment universe of the financial product will be reduced by at least 20% due to the exclusion of securities with a low ESG rating and/or sector exclusions in accordance with the RBC Policy
- The weighted average ESG rating of the financial product's portfolio must be higher than the weighted average ESG rating of its investment universe
- The financial product must invest at least 15% of its assets in «sustainable investments» as defined in Article 2 (17) of the SFDR. The criteria for qualifying an investment as a 'sustainable investment' are set out in the question above, 'What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?'. The quantitative and qualitative thresholds are mentioned in the main part of the annual report.

In addition, the management company has a voting and engagement policy in place. Several examples of commitments are detailed in the voting and commitment section of the Sustainability Report. These documents can be found on the following website: <https://www.bnpparibas-am.com/en/sustainability-documents/>.

HOW DID THIS FINANCIAL PRODUCT PERFORM COMPARED TO THE REFERENCE BENCHMARK?

No benchmark has been designated to achieve the environmental or social characteristics promoted by the financial product.

How does the reference benchmark differ from a broad market index?

Non applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Non applicable.

How did this financial product perform compared with the reference benchmark?

Non applicable.

How did this financial product perform compared with the broad market index?

Non applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

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Sylvie PITTICCO

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