Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: BNP PARIBAS DIVERSIPIERRE **Legal entity identifier:** 969500VNDLJ20738FT46

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

☐ **Yes** ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** ___%

☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Since its creation in 2014, the OPCI BNP Paribas Diversipierre has given its investment and management policy a responsible orientation. In 2019, the fund chose to integrate specific ESG criteria into its investment and real estate management policy in order to, on the one hand, formalize its commitment and, on the other hand, to meet a consistent approach on the financial and real estate allocations.

The fund's strategy aims to combat asset obsolescence and improve resilience by implementing a Best-in-Progress approach to improving ESG performance. This approach intrinsically contributes to the non-destruction of asset value.

In particular, the financial product promotes environmental and social characteristics by evaluating investments using an SRI strategy, which is reflected by receiving the SRI label.

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The primary objective of taking ESG criteria into account in BNP Paribas Diversipierre's real estate strategy is to improve environmental performance.

Through ESG criteria, the fund applies its SRI approach to all stages of real estate asset management: during acquisition, ownership and disposal. The Management Company has 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
- Comfort and well-being of occupants
- Mobility and accessibility
- Building resilience
- Stakeholder responsibility: vendor, property manager, tenant

Environmental criteria account for 54% of asset ESG scoring. In addition, BNP Paribas Diversipierre has also set social objectives such as improving the health and well-being of building occupants and developing environmentally friendly mobility solutions in order to serve its real estate assets efficiently. Criteria relating to these objectives account for 27% of the ESG scoring of real estate assets. The OPCI BNP Paribas Diversipierre guarantees that these objectives will be met by reporting in its annual report the number of assets located within 500 m of a rail network, the number of assets providing tenants with charging stations for electric vehicles as a proportion of the total number of assets under management, and the number of assets accessible to people with reduced mobility as a proportion of the total number of assets under management.

Finally, the OPCI BNP Paribas Diversipierre also has objectives related to governance. In particular, the OPCI aims to include ESG clauses in its contracts with stakeholders such as property managers. The OPCI BNP Paribas Diversipierre also strives to include its tenants in initiatives that are virtuous for the environment or society. Criteria relating to governance objectives account for 20% of the ESG analysis grid for real estate assets. The OPCI certifies that these objectives have been taken into account by reporting annually on the percentage of contracts signed with property managers that include an ESG clause, as well as the percentage of tenants involved in environmental or social projects.

The investment decision for the real estate portfolio is the result of a two-pronged approach: a strategic approach linked to the allocation of the portfolio, and a tactical approach linked to the choice of buildings. In this respect, the management team will make its investment decision based on the intrinsic characteristics of the property in question and, more specifically, its extra-financial quality in terms of environmental, social and governance (ESG) criteria, its market positioning, its construction quality, its ability to generate income over the long term, and its potential for appreciation.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The OPCI BNP Paribas Diversipierre has chosen to develop a "best-in-progress" SRI approach aimed at acquiring assets with a view to improving them.

For the real estate portfolio, a three-year action plan and a dedicated budget are defined for each acquisition in order to improve the asset's initial rating. The objective of the OPCI BNP Paribas Diversipierre is for the average rating weighted by the value of the assets to rise by 20 points over a three-year period on a like-for-like basis, or for the average rating weighted by the value of the assets to rise above 65/100 over a three-year period on a like-for-like basis.

The fund demonstrates its commitment by reporting on eight performance indicators, consolidated annually in its annual report:

- Energy performance

- GHG emissions

- Share of PM contracts including ESG clauses

- Distance to public transport

- Electric vehicle charging stations

- Accessibility for people with limited mobility

- Resilience audit

- Tenant engagement on ESG issues

- Assets with no asbestos-related risks

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The sustainable investments made by the financial product aim, in the first instance, to meet the objective of making a substantial contribution to climate change mitigation .

The methodology incorporates different criteria in its definition of sustainable investments that are considered essential components to qualify an asset as "sustainable". These criteria are complementary to each other. In practice, an asset must meet 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.

In concrete terms, the sustainable investment objective will be monitored and demonstrated through the progress of the ESG action plans carried out on the assets. The analysis tool developed for BNP Paribas Diversipierre, called the "ESG analysis grid," gives each asset an extra-financial score between 0 and 100 before it is acquired. This tool makes it possible to determine the strengths and weaknesses of the asset's average extra-financial performance. The 10 themes are weighted according to the degree of importance given to them by the management company, in line with its commitments. The themes considered as priorities today are pollution, energy and carbon. Exclusion criteria have been included to make the approach more demanding and to ensure a more refined selection of assets: an initial rating of less than 15/100 is considered a No Go for investment, as well as the presence of pollution that is both non-reducible and presents a risk to the health of the occupants, and the presence of the incumbent tenant and/or seller on BNP Paribas Group's watch list and/or exclusion list.

The weightings assigned to the 3 areas E, S, G, were defined as follows: Environment: 54%; Social: 27%; Governance: 20%.

For each asset, two scores are defined:

- the asset's current score (minimum required to join the fund: 15/100)

- the score of its potential for improvement in 3 years. A budgeted action plan accompanies this second scoring, which will allow the asset to participate significantly in the improvement of the portfolio held by the fund and in the achievement of the sustainable investment objective.

Audits are performed by an independent external auditor on the real estate assets during the due diligence phase. Following an audit of each of the fund's potential acquisitions by experts, a visit report and a scorecard are generated.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments that the financial product partially intends to make must not significantly impair an environmental or social objective (the "do no significant harm" principle). In this regard, the fund is committed to analyzing key negative impacts on sustainability factors, taking into account the negative impact indicators as defined in the SFDR Regulation.

The EU Taxonomy establishes a "do no significant harm" principle whereby taxonomy-aligned investments should not cause significant harm to the objectives of the EU Taxonomy and is accompanied by specific EU criteria.

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

Any other sustainable investments must also not cause significant harm to environmental or social objectives.

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

The product considers the main negative impacts on the sustainability factors by assessing, after acquisition, the 2 mandatory indicators applicable to the real estate sector according to Table 1, Annex I, of the Delegated Regulation (EU) 2022/1288 of April 6, 2022:

- Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels

- Share of investments in energy inefficient real estate assets

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

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

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 international human rights standards as defined by the International Bill of Human Rights, the Modern Slavery Act in the United Kingdom and the International Labour Organization. This commitment applies to its activities and investments.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes, ______

BNPP REIM's ESG rating takes into account and integrates the measurement of potential negative impacts of assets on sustainability factors for funds meeting the requirements of articles 8 and 9 of the EU Regulation 2019/2088 on sustainability reporting in the financial services sector, known as the "SFDR" (Sustainable Finance Disclosure Regulation).

This ESG rating is performed during acquisition due diligence and updated regularly to measure the ESG performance of the asset and assess negative sustainability impacts.
The product considers the main negative impacts on sustainability factors by assessing the 2 mandatory indicators applicable to the real estate sector after acquisition:
The following mandatory indicators applicable to the real estate sector will be considered:

- Share of investments in real estate assets involved in the extraction, storage, transportation or manufacturing of fossil fuels

- Share of investments in energy inefficient real estate assets

The following optional indicators will be considered:

- Greenhouse gas (GHG) emissions

- Energy intensity

The data used to calculate the share of principal adverse impacts is collected during the ESG assessment carried out at the time an asset is acquired.
According to BNP Paribas REIM's policy/financial product strategy, the share of investments in real estate assets "involved in the extraction, storage, transportation or manufacture of fossil fuels"; is necessarily zero, as this activity is prohibitive to acquisition.
To measure the share of investments in energy inefficient real estate assets, the level of the EPC is collected during the acquisition due diligence. In the absence of an EPC at the time of acquisition, it is ordered by our Property Management teams.

At the level of BNP Paribas REIM France:
Article 4 of Regulation (EU) 2019/2088 "SFDR" on sustainability disclosure in the financial services sector requires management companies to disclose whether or not they take into account the main negative impacts of investment decisions on sustainability factors.

In order to assess the main negative impacts for the real estate sector, BNP Paribas REIM France must collect data related to energy efficiency and involvement in the storage, extraction or transport of fossil fuels for all assets under management. These are the mandatory indicators of the principal adverse impacts (PAI) defined by Annex 1 of the Delegated Regulation (EU) 2022/1288 drawing up the regulatory technical standards ("RTS") for the application of the SFDR regulation. This requires a progressive work of data collection with the different stakeholders concerned.

However, at the time of publication of the prospectus, the extra-financial data currently available does not allow us to ensure that the negative impacts on sustainability factors are fully taken into account at the level of BNP Paribas REIM for all the funds it manages. At this stage, BNP Paribas REIM cannot therefore measure the effects of these impacts globally for all the funds it manages. For this reason, BNP Paribas REIM has stated that it does not consider the main negative impacts at this stage. However, BNP Paribas REIM intends to take into account these main negative impacts when the necessary data is available, provisionally by June 2023, depending on the state of data collection.

☐ No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The OPCI's strategy is to invest all of its assets in real estate and financial instruments whose underlying assets are related to the real estate sector, with the exception of a liquidity allocation held to meet redemption requests, which will represent at all times at least 5% of the OPCI's assets.

Real estate held directly or indirectly will represent at least 51% of the value of the assets of the OPCI with a target of 60% of the net assets, it being specified that real estate or real estate companies and securities of listed real estate companies must together represent at least 60% of the value of the assets of the OPCI. Financial securities, with the exception of cash and similar liquid assets, will represent a maximum of 44% of the assets.

For more details on the investment strategy see section 2.3 of the prospectus.

● *What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?*

The financial product will systematically integrate relevant ESG factors into its investment analysis and decision-making processes.

The ESG analysis based on the proprietary ESG methodology must cover at least 90% of the assets of the financial product.

For the real estate portfolio, three criteria have been defined for all investments in the BNP Paribas Diversipierre fund:

- The initial rating of the asset must be greater than or equal to 15/100 (assessment made using the SRI grid);

- The acquisition cannot be made if the asset contains pollution (asbestos or lead) that presents a health risk to the occupants and the site cannot be cleaned up at an economically viable cost for the investment in question;
- Neither the seller nor the incumbent tenant must be on one of BNP Paribas Group's watch lists and exclusion lists.

For the financial allocation, the companies or issuers selected respect the following ESG standards:

- Compliance with sectoral policies on controversial activities (application of the BNP PARIBAS ASSET MANAGEMENT France Responsible Business Conduct Policy, available on its website);
- Exclusion of companies that repeatedly violate at least one of the 10 UN Global Compact Principles (human rights, labor, environment and anti-corruption);
- Exclusion of companies with the worst ESG practices within each business sector.
- The financial portfolio thus follows a "Best-In-Class" approach, which aims to select the leading companies in their sector.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

In accordance with the SRI label guidelines, for the OPCI's real estate portfolio, the scope of the study may only concern 90% of the real estate assets: this exception concerns in particular assets in the process of being arbitrated and recently acquired assets, although other asset categories may be included in this 10%. The ESG analysis based on the proprietary ESG methodology must cover at least 90% of the financial product's assets.

The reduction of the scope of possible investments is done by means of the three exclusion criteria listed in the previous section of this appendix (the initial rating of the asset must be greater than or equal to 15/100, it must not present pollution that poses a health risk to the occupants, the seller nor the current tenant must be present on one of BNP Paribas Group's watch and exclusion lists).

At least 90% of the financial portfolio (excluding liquidity) covered by this strategy is invested in securities whose environmental (E), social (S) and governance (G) criteria (ESG) have been analyzed by a specialized team of analysts from the Management Company. Following this analysis, this strategy aims to exclude from the investment universe the 20% of financial securities with the lowest ESG scores.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The investment strategy, and therefore the allocation between the different types of financial instruments, is determined by BNP Paribas REIM France according to market conditions. The allocation decision is based on BNP Paribas REIM France's convictions, supported by the research produced by BNP Paribas Asset Management's research team.

The implementation of the strategy determined by BNP Paribas REIM France will be entrusted to BNP Paribas Asset Management acting as responsible for the management of the financial pocket.

What is the policy to assess good governance practices of the investee companies?

As part of the fund's real estate activity, the policy for assessing good governance practices involves the tenants of the assets under management. The tenants in place at each investment opportunity are evaluated using the Vigilance tool and a KYC (Know your Customer).

For the financial portfolio (at least 90% of the financial portfolio), a dedicated team of ESG analysts evaluates companies/issuers according to ESG criteria, as defined internally. For example, (non-exhaustive list):

- On the environmental level: global warming and reduction of against greenhouse gas emissions, energy efficiency, saving natural resources;
- On the social level: employment management and restructuring, work accidents, training policy, remuneration, staff turnover rate, etc;
- On the theme of corporate governance: the independence of the board of directors, respect for the rights of minority shareholders, separation of management and control functions.

Finally, ESG analysis is reinforced by an active and strategic policy of engagement with companies towards responsible practices (individual and collective engagement with companies, voting policy at general meetings, including the tabling of resolutions, etc.).

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

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.

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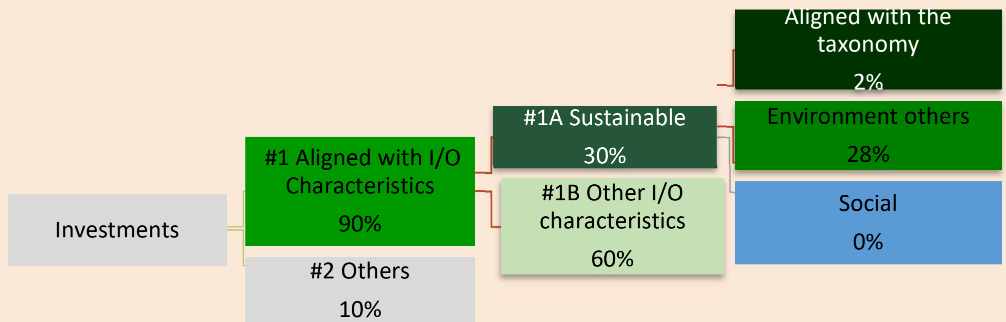
The investments used to meet the environmental or social criteria promoted by the financial product in accordance with the binding elements of its investment strategy represent the



Category **#1 Aligned with I/O Characteristics** includes financial product investments used to achieve the environmental or social characteristics promoted by the financial product.

Category **#2 Others** includes the remaining investments in the financial product that are neither aligned with environmental or social characteristics nor considered sustainable investments.

Category **#1 Aligned with I/O Features** includes:
- Subcategory **#1A Sustainable** covering sustainable investments with environmental or social objectives.
- Subcategory **#1B Other I/O characteristics** covering investments aligned with environmental or social characteristics that are not considered sustainable investments.

proportion of assets 1) with a minimum SRI rating of 15/100 at acquisition and 2) that comply with the requirements of the group's responsible investment policies.

Of this share, the minimum proportion of investments defined as sustainable and pursuing a substantial contribution to climate change mitigation as defined in SFDR Article 2(17) is 30%. The minimum share of sustainable investments with an environmental objective that are aligned with the European Taxonomy Regulation is 2%.

The percentage expressed is only a minimum commitment and the actual percentage of the financial product's investments that have achieved the promoted environmental or social characteristics will be indicated in the annual report.
The remaining proportion of investments is mainly used as described below.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable. Financial derivatives may be used for efficient portfolio management and hedging purposes. These instruments are not used to achieve the environmental or social characteristics promoted by the financial product.

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.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

*Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy*1*?*

ear 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.

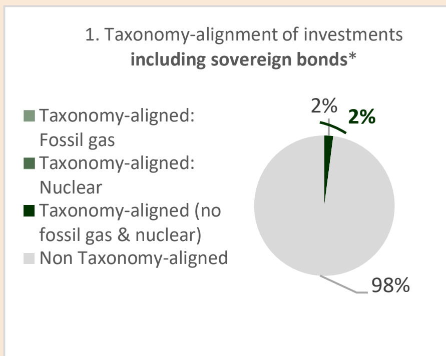
☒ Yes:

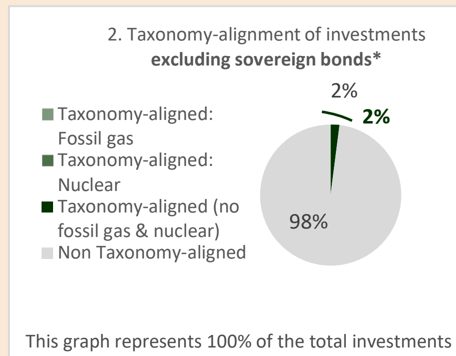
☐ In fossil gas ☐ In nuclear energy

☒ No

*are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.*

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





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

What is the minimum share of investments in transitional and enabling activities?

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

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.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy Regulation is 28%.

The management company does not aim to prevent the product from investing in activities aligned with the EU Taxonomy Regulation as part of the product's investment strategy. Therefore, there is no commitment to invest in activities that do not comply with the European Taxonomy Regulation.

What is the minimum share of socially sustainable investments?

Socially sustainable investments must represent a minimum of 0% of financial income.

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What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Category #2 Other includes the remaining investments in the financial product that are neither aligned with environmental or social characteristics nor considered sustainable investments.

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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No index benchmark has been designated.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

More information about the product can be found on the website: https://www.reim.bnpparibas.fr/bnp-paribas-diversipierre by scrolling down the page to Documentation.