

IMPLEMENTATION REPORT OF THE SHAREHOLDER ENGAGEMENT POLICY

Cardif Assurance Vie



**BNP PARIBAS
CARDIF**

L'assureur
d'un monde
qui change



**BNP PARIBAS
CARDIF**

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1. Scope of application

This document applies to the legal entity "Cardif Assurance Vie", a subsidiary of BNP Paribas Cardif, in respect of its general funds (hereinafter BNP Paribas Cardif).

2. Exercising the right to vote at general meetings

BNP Paribas Cardif votes at annual general meetings of companies held directly in its general funds.

Voting rights are exercised in accordance with the principles set out in the "Shareholder Engagement Policy".

2.1 Use of the ISS Proxy Advisor

BNP Paribas Cardif relies on the expertise of ISS, an agency providing voting advice for the exercise of voting rights (ISS – Institutional Shareholder Services). BNP Paribas Cardif is responsible for voting, in accordance with its voting policy and considering the specific characteristics of each company.

ISS's internet platform allows BNP Paribas Cardif to analyze resolutions, exercise and monitor votes at annual general meetings ("AGMs").

2.2 General Description

In 2024, BNP Paribas Cardif voted in 53 AGMs out of 54 of the listed companies held directly within the scope of application. These votes represent 1,808 resolutions out of the 1,811 put to the vote (i.e. 99.8%).

2024	Voted on	Voted	Rate
General Meetings	54	53	98,1%
Newsletters	81	80	98,8%
Resolutions	1811	1808	99,8%

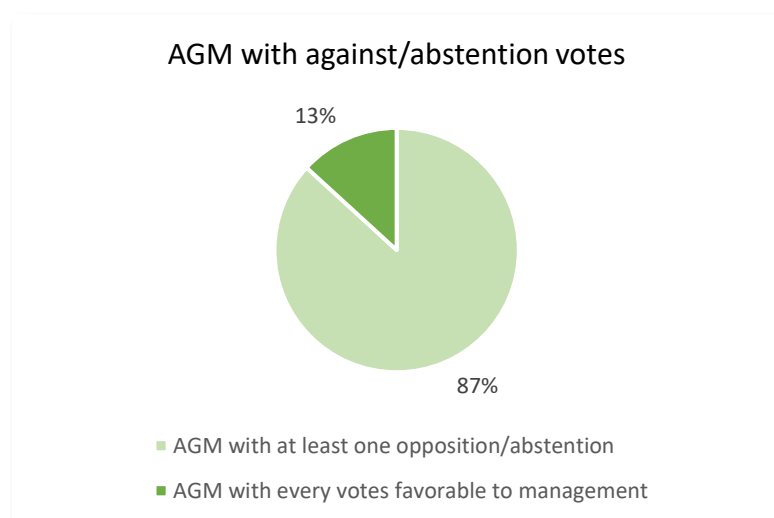
The AGMs at which BNP Paribas Cardif does not vote fall into the following scenarios:

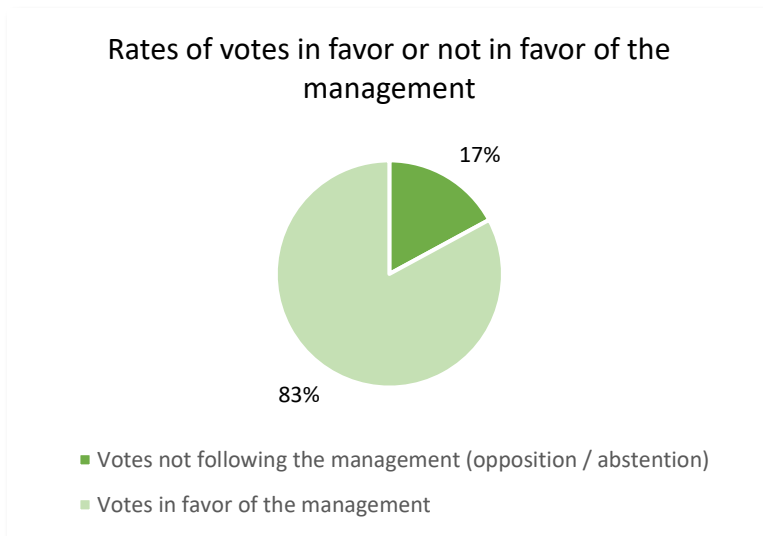
- Short-term investments, for which BNP Paribas Cardif does not intend to hold positions beyond a short time horizon;
- New investments for which the insurer has not yet decided on the type and duration;
- In exceptional situations of turbulent markets for securities whose country of registration imposes the blocking of securities (absence of the "record date" principle);
- If the system for collecting information and exercising voting rights ("proxy voting" or conservative tool) is defective;
- In the case of complex POA ("Power of Attorney") proceedings.

2.3 Orientation and explanation of votes cast

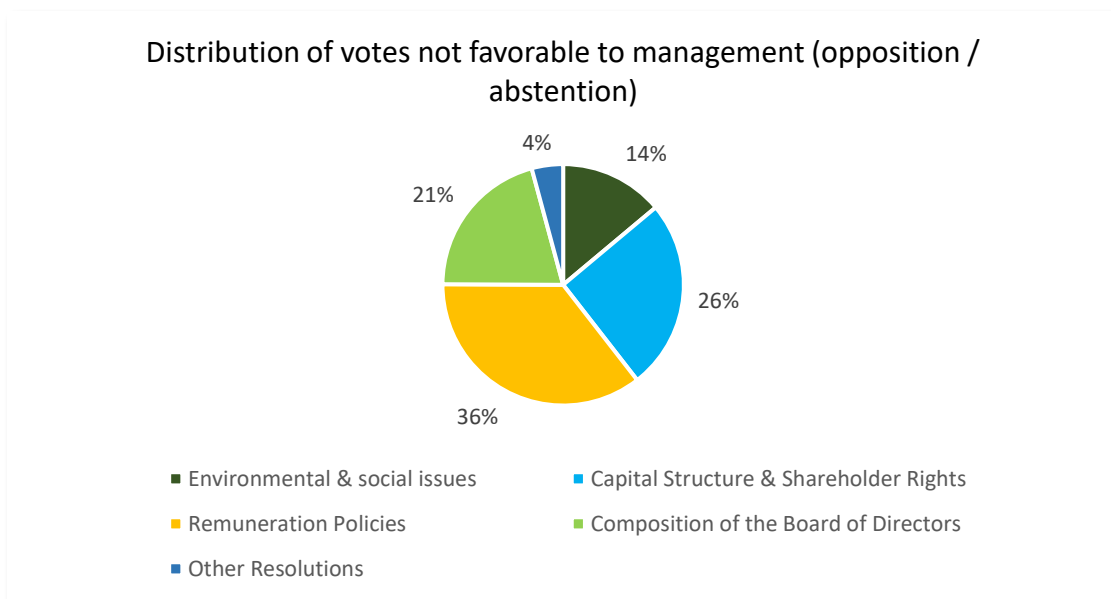
In 46 of the 53 AGMs at which it voted, BNP Paribas Cardif voted against or abstained from supporting at least one of the resolutions proposed by the management (87% of the total).

Of the 1,808 resolutions recorded, 309 votes were not in favor of management, i.e. 17% of the total.





Cases of non-alignment with management's recommendations are mainly divided between the topics of Remuneration Policy, Capital Structure and Shareholders' Rights, composition of Boards of Directors, and discharge to management for the management of the past year.



This year, the scenarios that emerged most often, for each category, were as follows:

Remuneration Policies

Type of resolution most often voted against or for which the company abstained:

- Validation of the remuneration policy;
- Validation of the remuneration of a member of the board of directors.

Reasons for not giving a favorable vote, and thus sending a signal to management for an improvement in practices:

- Amounts deemed excessive in relation to the performance of the company in question or disproportionate to peers, all other things being equal;

- Insufficiently transparent descriptions and quantifications of the various objectives to be achieved;
- Remuneration criteria that are not binding and likely to allow payment in the event of failure, or that are not sufficiently or explicitly oriented towards the long term;
- Vesting period for stock options or free shares considered too short or exercise conditions subject to change.

Shareholders' rights - equity issuance and repurchase programs

Type of resolution most often voted against or for which the company abstained:

- Capital increase without preferential rights;
- Capital increase with preferential rights.

Reasons for not voting in favor, and thus sending a signal to management for an improvement in practices:

- Excessive dilution of existing shareholders by requests for a capital increase without preferential subscription rights of more than 5% of the share capital, or more than 20% in the event of authorization requested with a specific objective;
- Authorizations requested exceeding 50% of the share capital, with or without preferential rights;
- Potential anti-takeover measures.

Board of Directors

This resolution group aims at the election or re-election of the various members of the Board of Directors, and of the subcommittees (Audit, Appointments, Remuneration most often) of which each Board of Directors is endowed. Nominations and votes are usually made for each advisor individually.

Reasons for not voting in favor, and thus sending a signal to management for an improvement in practices:

- Boards or committees deemed insufficiently independent;
- Failure to comply with the criteria of BNP Paribas Cardif's voting policy in terms of diversity in the composition of the Board.

Environmental and social resolutions

Type of resolution most often voted against or for which the company abstained:

- Discharge to the management for the management of the past year. This type of resolution is put to a vote by the management, and aims to strengthen its legitimacy with the approval of a wider shareholder base of its operations;
- Resolutions put to the vote on the initiative of a group of shareholders, when these resolutions are not appropriate for the particular case of the company or when they express a request that has already been met in practice.

In addition, BNP Paribas Cardif does not vote in favor of past unresolved controversies or new controversies.

Focus: "Say on Climate"

"Say on Climate" consists of integrating one or more resolutions presenting its climate strategy into the agenda of a company's Annual General Meeting. At least, these resolutions must include clear greenhouse gas reduction targets, present the specific actions implemented by the company to achieve its objectives and demonstrate the robustness of the governance to address climate issues.

In 2024, 2 companies (in the area concerned) submitted their climate strategy to the vote. BNP Paribas Cardif has spoken out in favor of the validation of the proposed plans.

3. Dialogue with companies

In 2021, BNP Paribas Cardif joined the signatories of Climate Action 100+ who are collectively mobilizing to call on the world's largest emitters of greenhouse gases to take the necessary measures to fight climate change. This initiative is part of BNP Paribas Cardif's responsible investment approach and in line with BNP Paribas' global climate risk mitigation strategy.

The objective of this initiative is threefold: to encourage companies to set up governance on the risks related to climate change; encourage them to set greenhouse gas emission reduction targets consistent with the Paris Agreement; and finally promote the transparency of financial information relating to the implementation of energy transition plans.

Every year, Climate Action 100+ publishes a "Benchmark"¹ with indicators to assess the progress of each issuer with regard to the three objectives of the initiative. For each indicator, the corporate involved can receive a rating of "compliant", "partially compliant" or "non-compliant". This benchmark makes it possible to evaluate the performance of each company, the choice of priority topics and the company's progress on the various topics.

Launched in 2017, initially created for a period of 5 years, the coalition decided in 2023 to extend its activities until 2030. This second phase aims to accelerate the transformation of corporates. The main changes adopted include:

- The definition of emission reduction targets in absolute terms is now considered for the objectives set in the medium term;
- The new version of the "Benchmark" is now based on the International Energy Agency's "Net Zero Emissions by 2050" scenario, which aims to limit warming to 1.5°C and plans to halt the development of new fossil fuel production projects, liquefied natural gas (LNG) terminals and coal-fired power plants;
- The "Benchmark" highlights the actions of companies regarding their disclosure of information on their use of carbon offsetting and negative emission technologies in the decarbonization strategy indicator;

¹ Link to the "Benchmark": [Companies | Climate Action 100+](#)

- The criteria for the Investment Plan Indicator (CAPEX) have been amended and the indicator now requires disclosure of investment expenditure on carbon-intensive assets or products.

BNP Paribas Cardif is a co-leader in the commitment with three major European companies: STELLANTIS, SAINT-GOBAIN and IBERDROLA.

As for Stellantis, there was no change in the rating compared to the previous year. 2024 was a complicated year financially for the carmaker, with the departure of CEO Carlos Tavares, several exchanges took place with Stellantis as part of the engagement dialogue, in particular to understand the recruitment process of the future CEO as well as the organization of the succession plan. The coalition has helped Stellantis move forward with the production of a first report on climate lobbying activities, which should be published soon.

As for Saint-Gobain, the company had already achieved several objectives in the first phase of the initiative. The 2024 benchmark update did not mention any rating improvements. For this reason, the coalition's main engagement goals for 2025 remain the same as in 2024. The company is called upon to improve transparency on its governance on climate issues, in terms of the publication of the specific skills and roles of the members of the Board of Directors, and on the link between non-financial indicators and remuneration. The coalition also continues climate lobbying activities.

For Iberdrola, the improvement of the indicator on the phase-out of carbon-intensive products (6.1) has made it possible to fully validate objective 6 on capital allocation. Improving this indicator was one of the commitment priorities for 2024. At the same time, the improvement of the indicator relating to the commitment to decarbonization aligned with the principles of the Just Transition (9.1.a) has made it possible to partially validate objective 9. Some indicators still need to be validated for objective 9 to be achieved. For 2025, the main areas of commitment will concern the definition and quantification of the levers to achieve the decarbonization strategy (indicator 5) as well as climate lobbying activities (indicator 7).