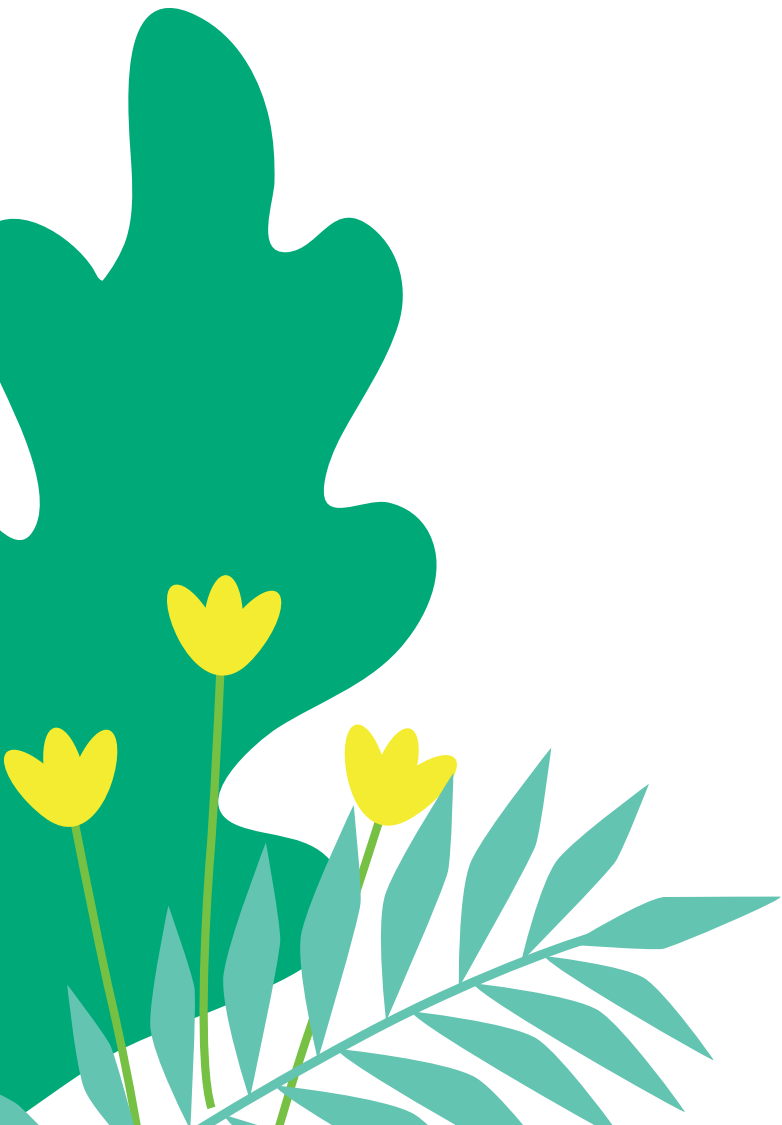


CSR REPORT
2021
CARDIF LUX VIE



CARDIF LUX VIE
BNP PARIBAS GROUP

The insurer
for a changing
world





EDITORIAL

Christian GIBOT
CEO Cardif Lux Vie

I am proud to introduce this new report which shows the many actions we have taken over the past year. Within the Company, we have long been convinced that our responsibility extends far beyond our core business. We aim to make a positive impact by putting people at the heart of our business, whether in our role as insurer, investor, employer or corporate citizen.

As a responsible and committed investor, we have maintained our positive momentum over the past year and continued to meet the ambitious targets we have set. In line with our mission and the values of our Group, we have also increased our initiatives to make our offer and products more accessible.

***“Overseeing the impact of our actions
to contribute to more sustainable
and more responsible growth.”***

More than ever, I believe that the fragile times we are living through show us how urgent it is to act in favour of the collective interest. At Cardif Lux Vie, this has taken the form of actions taken within our ecosystem and at the local level. Commitment to solidarity, protection of the environment and forests, reduction of our footprint... the projects are numerous.

As you will read in the testimonies of this new edition, I know that our achievements are the result of a process carried out on a daily basis by our teams. In this respect, I applaud the commitment of all those who work hard and energetically to support the achievement of our objectives.

I hope that you find this reading interesting.

Christian Gibot

I. A responsible investor, committed to the environment

OUR COMMITMENTS

Cardif Lux Vie puts responsibility at the core of its investment strategy making three key commitments to support this ambition:

- **Commitment I - Develop investments that will have a positive impact¹** through targeted selection of the financial assets that make up the General Fund. Also, to promote these investments with a positive impact through our range of unit-linked vehicles.
- **Commitment II - Take action against global warming**, by taking into account the carbon dimension of its financial assets in order to encourage companies to implement the low-carbon transition of their business models.
- **Commitment III - Consolidate ESG analysis and shareholder engagement** in all investment strategies and processes.

With 647 million by December 2021, Cardif Lux Vie's positive impact investments (including off-balance sheet commitments) are growing. To maintain this pace, the Company has committed to increasing its positive impact investments ¹ by €400 million in the General Fund between 2020 and 2025.

Cardif Lux Vie also takes account of climate issues in its investment policy. A carbon transition filter, integrated into the non-financial analysis process, makes it possible to assess companies' energy transition strategies. The investment universe excludes the worst rated. This approach is helping Cardif Lux Vie to continue to reduce the carbon footprint of its portfolio of directly held securities.

With €384 million in green investments at the end of 2021, Cardif Lux Vie is increasing its contribution to the energy and green transition year on year. This same year, the company expanded coverage of its ESG filter to 99% of the assets in the General Fund. The company continues to participate, with its shareholder BNP Paribas Cardif, in market initiatives that reinforce the company's commitment to the climate (membership of the Net Zero Asset Owner Alliance in September 2021).

(1) POSITIVE IMPACT INVESTMENT: These are investments made with the intention of generating a positive and measurable social, societal and/or environmental impact, while generating a return on investment. Intentionality is the will to achieve one or more sustainable development objectives (e.g. contribution to the energy transition by installing renewable energy infrastructure). Measurability refers to the evaluation of the implementation of this intention through environmental and/or social indicators (e.g. GWh produced by these renewables).





François LUCCHINI
Chief Investment Officer

“In a changing world, where everyone is becoming increasingly aware of their responsibility to ensure the future of our planet, the expectations of our clients and partners are evolving while the entire value chain is adapting to the constraints that this responsibility entails. In concrete terms, these developments are translated, on our scale, into the search for positive impact in our own investment strategy.”

NATIONAL AND INTERNATIONAL INITIATIVES THAT WE SUPPORT

CARDIF LUX VIE, WITH ITS SHAREHOLDER BNP PARIBAS CARDIF, IS INVOLVED IN A NUMBER OF GLOBAL INITIATIVES.

History of memberships:

2021



BNP Paribas Cardif joins the **Net-Zero Asset Owner Alliance** (NZAOA)* and is thus committed to aligning its investment portfolio towards a carbon neutral path in 2050. The aim is to contribute to limiting global warming to 1.5°C above pre-industrial temperatures, in line with the Paris Agreement.



BNP Paribas also joins the **Net-Zero Banking Alliance**** and supports the **Climate Action 100+***** initiative. Its signatories work together to encourage the world's largest emitters of greenhouse gases to take the necessary steps to combat climate change.

2018



BNP Paribas becomes a founding signatory of the **Tobacco-Free Finance Pledge**. The Group thereby signals its desire to withdraw from involvement with the tobacco industry. BNP Paribas Cardif, which is also a signatory, had decided in 2017 to stop offering financing and investment services to the tobacco industry. This decision affects, among others, producers, wholesalers and traders whose income is mainly derived from tobacco.

2016



BNP Paribas Cardif signs up to the **Principles for Responsible Investment (PRI)**. The PRI is a UN-supported independent network of investors. The aim of the Principles is to develop a common structure through which ESG issues can be incorporated for investors. They provide BNP Paribas Cardif, and all its subsidiaries, with a framework for promoting Socially Responsible Investment (SRI), both internally and with their partners.

(*) <https://www.unepfi.org/net-zero-alliance>

(**) <https://www.unepfi.org/netzero-banking>

(***) climateaction100.org

OUR APPROACH WITHIN THE GENERAL FUND

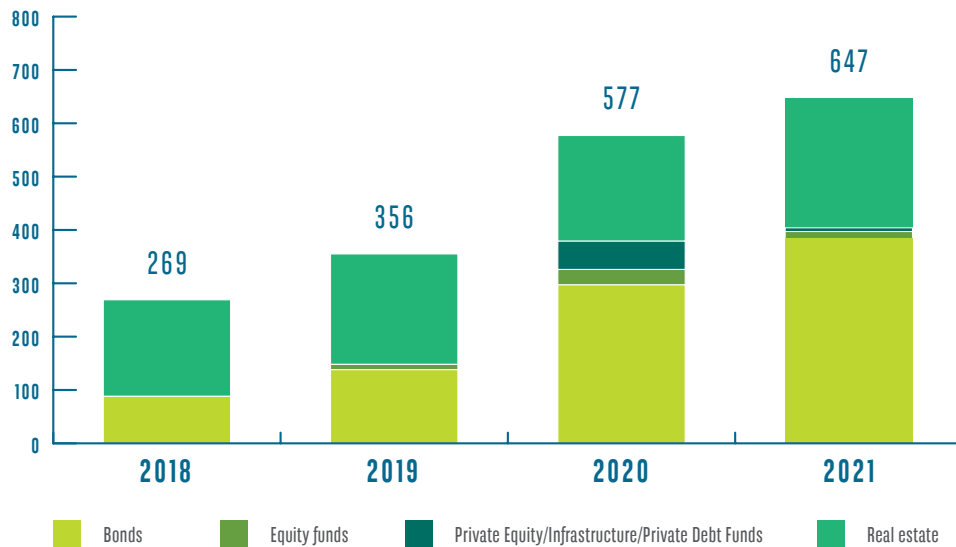
CONTRIBUTING MORE TO THE ENERGY AND GREEN TRANSITION.

Positive impact investments are made with the intention of generating a positive and measurable social, societal and/or environmental impact, while generating a return on investment. Intentionality is the will to achieve one or more sustainable development objectives (e.g. contribution to the energy transition by installing renewable energy infrastructure). Measurability refers to the evaluation of the implementation of this intention through environmental and/or social indicators (e.g. GWh produced by these renewables). Cardif Lux Vie includes this definition through several asset classes:

- Through **green bonds**, which finance projects that have environmental objectives: reducing climate change, adapting to climate change, conservation of natural resources, preservation of biodiversity and prevention and management of pollution;
- Through **bonds with a social vocation** or **SDG Bonds** financing projects that contribute to the United Nations Sustainable Development Goals (SDGs);
- Through **environmental funds energy transition**, energy efficiency, sustainable food and agriculture, climate change mitigation, waste management, etc.;
- Through **funds with a social theme**: well-being at work, job creation, inclusion...
- Through **funds with societal themes**: education, sustainable mobility solutions, client satisfaction, cooperative and voluntary sectors...
- Through **real estate assets** with certified or recognised environmental performance, and/or offering a social or community dimension.



Evolution of Cardif Lux Vie's positive impact investment assets as of 31 December 2021, in millions of euros



Cardif Lux Vie's objective for 2025

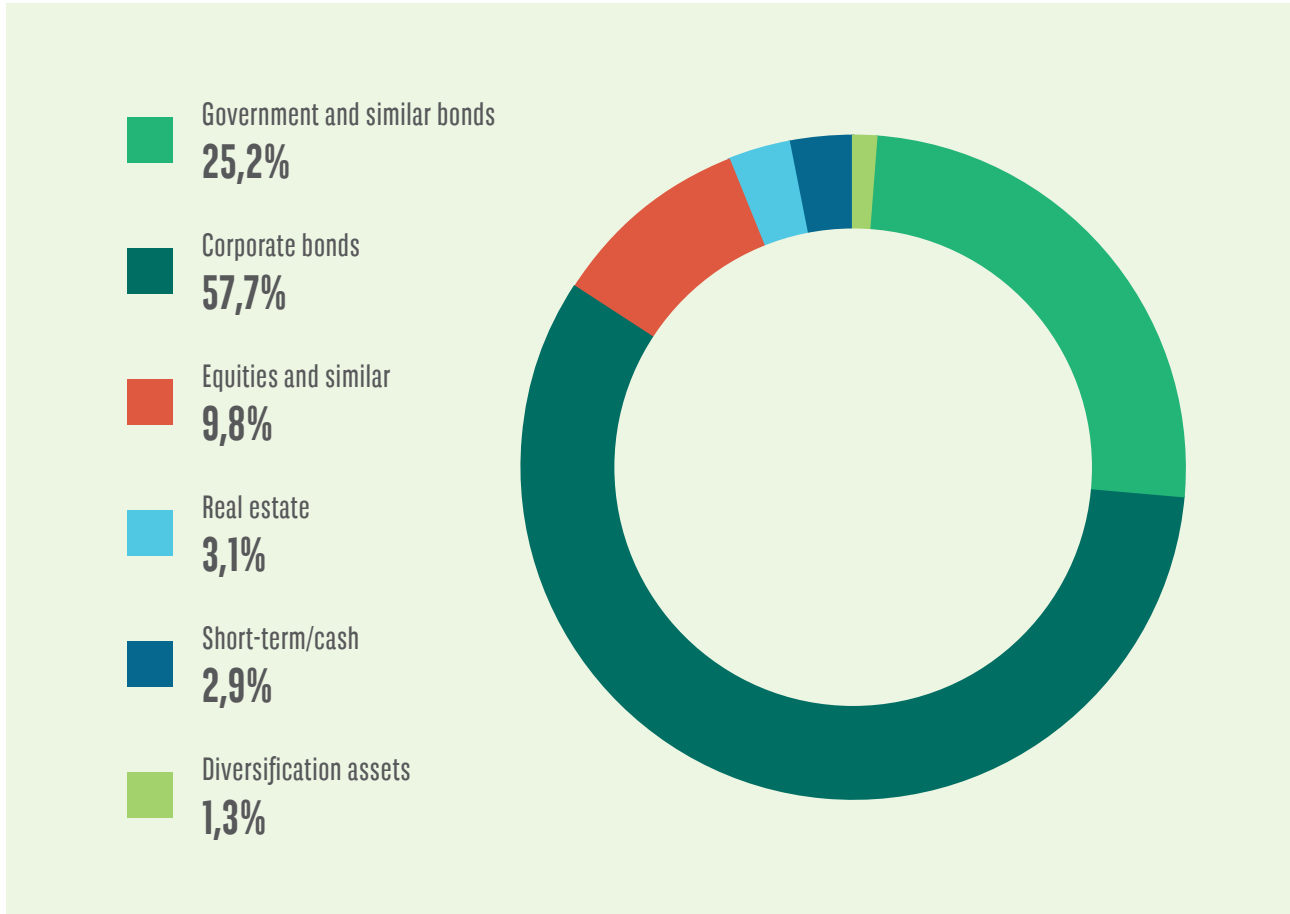
+400
million euros
of positive impact
investments
between 2020 and 2025

Cardif Lux Vie continues to deploy its responsible investment policy across all its assets under management.

As of 31 December 2021, the assets managed for its own accounts (General Fund and Own Funds) totalled €10.09 billion. The Units of Account represented almost €18 billion.



ASSET ALLOCATION IN THE CARDIF LUX VIE GENERAL FUND AS OF 31 DECEMBER 2021 (MARKET VALUE)



ESG POLICY APPLIED TO THE INVESTMENT PROCESS

Cardif Lux Vie incorporates its ESG policy into its investment process for management of the General Fund. This policy is adapted according to the type of asset, whether these are directly held securities (shares and bonds) or funds. The policy consists of two main steps:

- Data collection and ESG analysis;
- Monitoring the integration of ESG criteria.

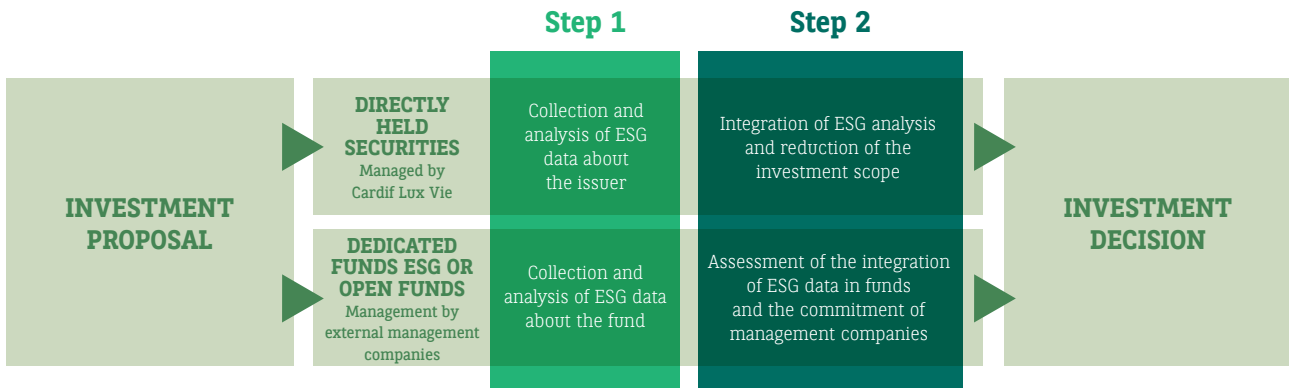
For the selection of unlisted securities:

We implement the Group's sector exclusions and during due diligence, some forty questions are dedicated to ESG. Moreover, specific reporting is requested and we put in place side letters to obtain assurances that the external managers actually implement exclusions of contentious sectors.



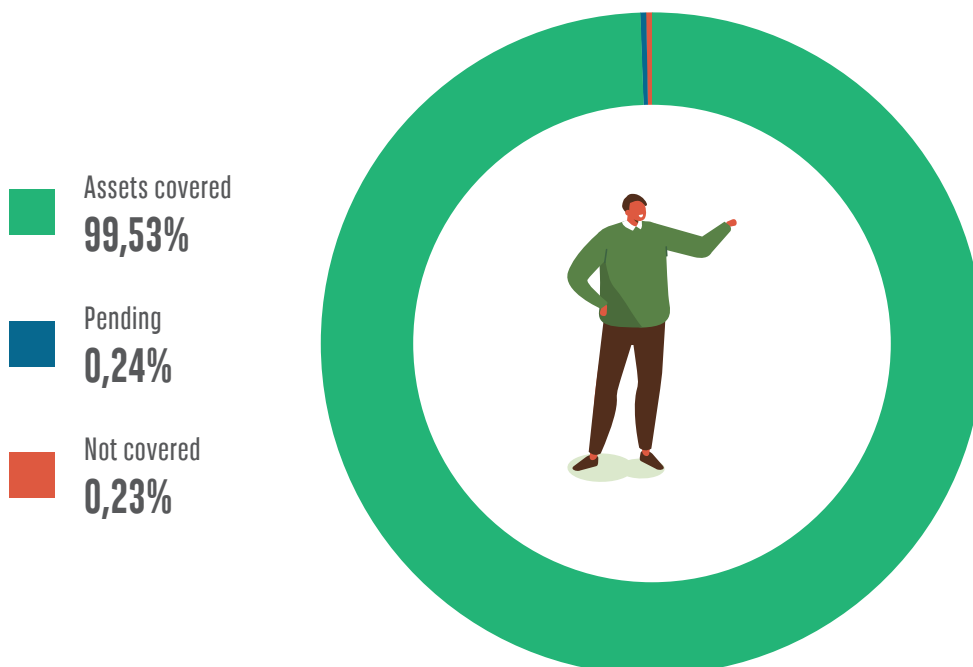


Representation of the ESG process applied to Cardif Lux Vie's General Fund investments



For the non-financial analysis of its investments within the General Fund, Cardif Lux Vie collects ESG data specific to each asset class. It then analyses this data and incorporates it into the management process and filtering of the investment universe.

Level of ESG coverage of the General Fund assets of Cardif Lux Vie, at market value

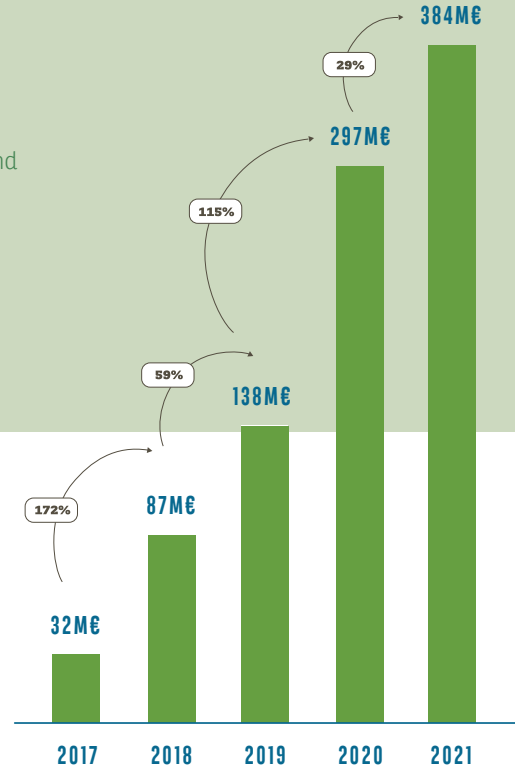


GREEN BONDS

IN 2021,

the green bond assets of the Cardif Lux Vie General Fund increased by **29%** compared to 2020.

They reach **€384 M**, four times more than in 2018.



Emissions avoided on green bonds



This is the quantity of greenhouse gas emissions avoided due to projects financed by green bonds.

The calculation of avoided emissions takes into account the entire project life cycle:

- > **Construction:** suppliers, materials, etc.
- > **Operation:** energy consumption.
- > **Project end-of-life:** waste management, recycling.

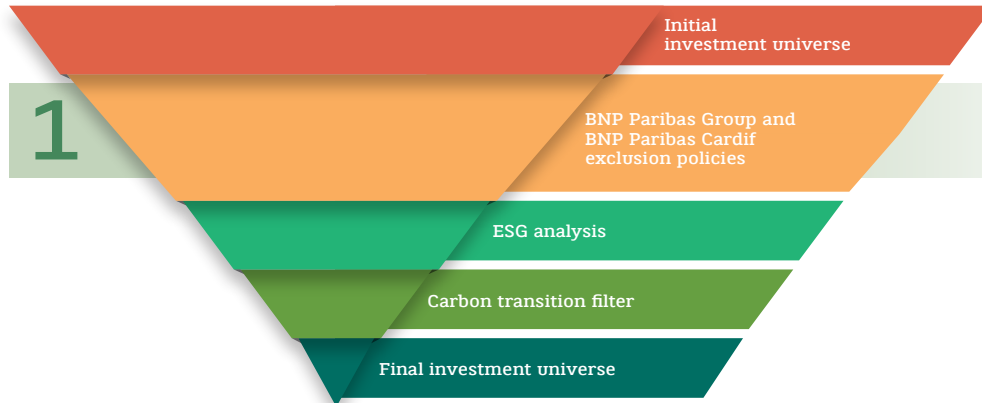
The calculation then annualises the avoided emissions over the life of the bond. Lastly, the emissions are compared against a benchmark, such as the country’s energy mix, to obtain a differential corresponding to the avoided emissions.

Source : S&P Trucost



OUR METHODOLOGY

EXCLUSION POLICIES IN THE NON-FINANCIAL ANALYSIS OF DIRECTLY HELD SECURITIES



The first stage of the ESG analysis for directly held securities is based on the sectoral policies of the BNP Paribas Group and of BNP Paribas Cardif. In addition to the restrictions under these policies, Cardif Lux Vie adheres to specific undertakings relating to the tobacco and carbon sectors.

Tobacco

Since 2017, BNP Paribas Cardif **has excluded from its General Fund any producers, wholesalers and distributors** whose revenue is derived primarily from tobacco. The signing of the Tobacco Pledge in 2018 has reinforced this position.

Carbon fuels

Cardif Lux Vie will definitively exit this sector by 2030 at the latest for the European Union and the OECD zone and by 2040 at the latest for the rest of the world.

BNP PARIBAS CARDIF THERMAL COAL EXIT SCHEDULE

Extension of the scope:

- Addition of companies in the logistics sector and developers.
- Addition of exclusion criteria and thresholds.

2021

2025

Gradual lowering of thresholds

2030

0% thermal coal EU and OECD

2040

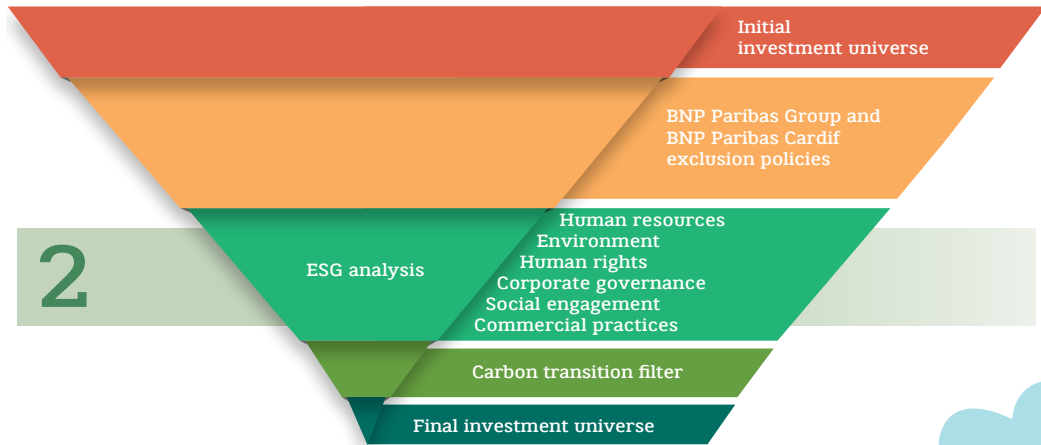
0% thermal coal World

		2021	2025	2030	2040
DEVELOPERS					
New projects (coal mines, coal-related infrastructure, thermal coal power plants, transport capacity)		0 thermal coal			
MINING COMPANIES (thermal coal exploration and extraction)					
Share of thermal coal in turnover	In % of turnover	10%	0% (stock: 10%)	0%	0%
Thermal coal mining (million tonnes mined)	In M tonnes	10	0 (stock: 5 M)	0	0
LOGISTICS (transport and storage of thermal coal)					
Share of turnover	In %	20%	15%	10%	0%
ELECTRICITY GENERATION FROM COAL					
Share of turnover	In %	20%	15%	10%	0%
				0%*	
	As % of mix	20%	20%	10%	0%
				0%*	
Electricity generation from coal (effective generation)	In Giga W	10	8	5	0
				0*	

(*) UE / OCDE

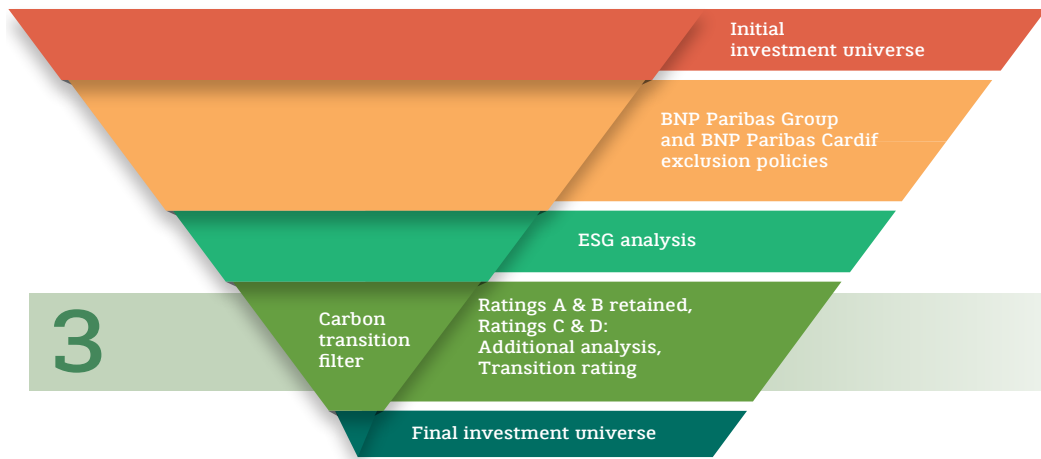


ESG ANALYSIS IN THE NON-FINANCIAL PROCESS OF DIRECTLY HELD SECURITIES



The second step of the ESG analysis involves the incorporation of ESG criteria. Cardif Lux Vie has extended its scope of analysis. This now covers assets held directly by the General Fund, funds and funds of funds. The process for all BNP Paribas Cardif entities is based on the rating method of Moody's ESG Solutions for the integration of ESG criteria. This method allows the ESG performance and risks of each company to be evaluated against 38 criteria. There are six categories of criteria: environment, human resources, human rights (work), commercial practices, social engagement and corporate governance. Cardif Lux Vie applies a best-in-class sectoral approach in its ESG filter. Each security or company is assigned a rating relative to its sector and performance level within each of these six categories. The ratings provide us with an evaluation of the global ESG performance. Companies that achieve the best performance in their sector are prioritised in the final investment decision.

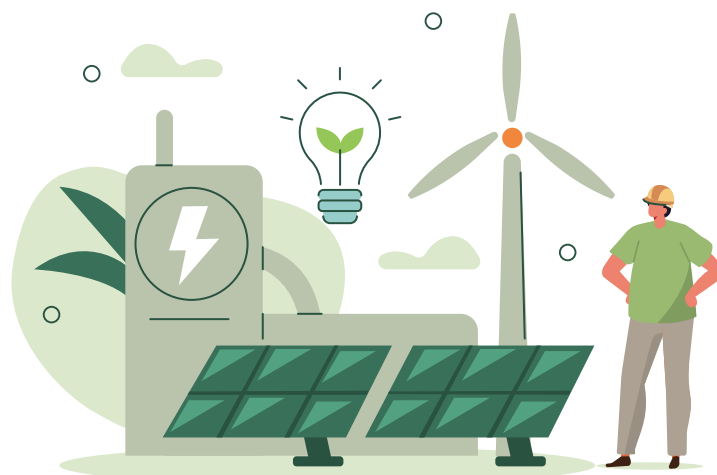
THE CARBON TRANSITION FILTER IN THE NON-FINANCIAL ANALYSIS OF DIRECTLY HELD SECURITIES



The approach is rounded off by a final selection step. In addition to this “Best In Class” selection, we also take into account an energy transition score coupled with carbon emissions, excluding the worst performers on these criteria.

The carbon performance of directly held corporate assets has continued to improve significantly in 2021. Rigorous selection of companies based on their level of carbon commitment has had a very positive impact on this improvement.

Different methodologies are used to normalise the “absolute” carbon emissions of the companies’ assets that make up a portfolio of financial assets. These methodologies allow us to calculate the carbon intensity at various levels. Cardif Lux Vie has chosen to measure the absolute carbon intensity of each company relative to its turnover according to scopes 1 and 2 (see page 15). This measure is expressed in tonnes of CO₂ equivalent per million euros of turnover, weighted by the weight in the portfolio.



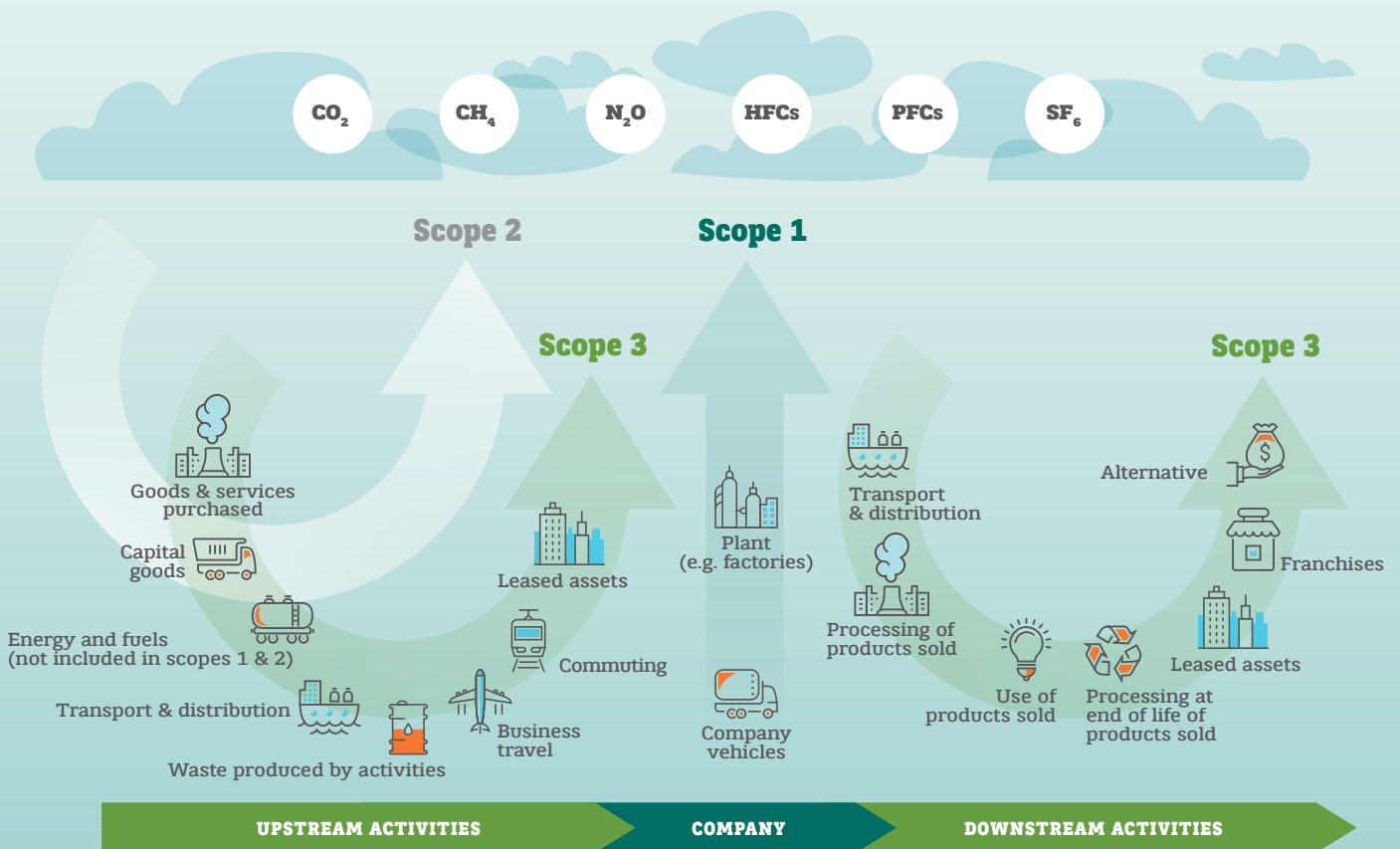


REPORTING SCOPE: SCOPES AND EMISSIONS OVER THE ENTIRE VALUE CHAIN



Jaafar NACIRI
Portoflio Manager - Unlisted Assets

“Tackling the climate crisis and the loss of biodiversity have become major and unavoidable challenges for keeping our economy healthy. We are aware that we have a role to play as a responsible investor. For example, as part of the management of our General Fund, together with my colleagues in the Asset Management Department, I analyse indicators directly related to climate and biodiversity.”



OUR CLIMATE PERFORMANCE AND BIODIVERSITY INDICATORS

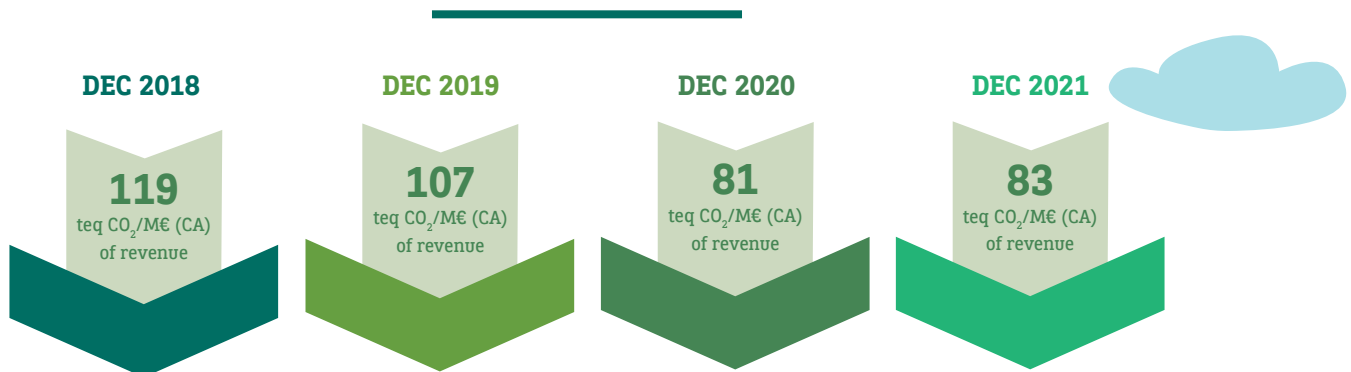
In order to obtain a global view of the environmental performance of the General Fund, Cardif Lux Vie uses complementary indicators, capturing both the climate impact (high greenhouse gas emissions) and the contribution to the low-carbon transition (green activities).

This year, Cardif Lux Vie calculated the biodiversity footprint of its equity and corporate bond portfolios. This is an initial assessment, which was carried out by Carbon4 Finance, using the Global Biodiversity Score (GBS) measurement tool developed by CDC Biodiversity. This biodiversity footprint score provides an initial analysis that is essential for integrating these issues into the investment strategy.

The results mostly highlight the positive trajectory of the portfolio compared to its benchmark. This is part of an effort to reduce GHG emissions and preserve biodiversity led by its asset management team.

CARBON METRICS OF THE PORTFOLIO

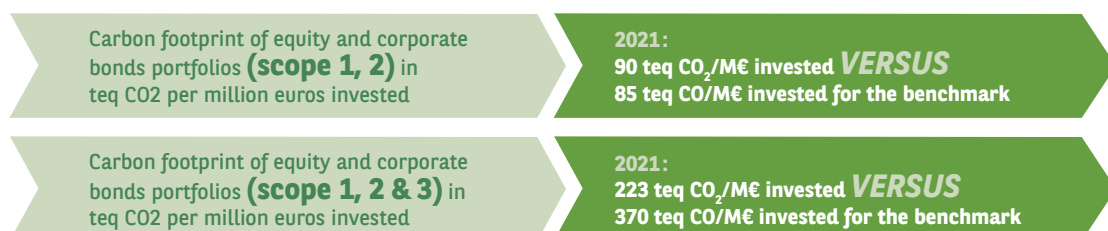
Carbon intensity of the corporate equities & bonds portfolio in relation to, scopes 1 and 2



Source : BNP Paribas Cardif

The carbon intensity of the portfolio remained stable over the period. This is estimated at 83 teq CO₂/ M€ of revenue at 31 December 2021, compared with 81 teq CO₂/M€ of revenue at 31 December 2020. By comparison, the carbon intensity of the composite benchmark index (Stoxx600 + QW5A) is estimated at 221 teq CO₂/M€ of revenue at the same date compared to 205 teq CO₂/M€ of revenue at the end of 2020, i.e. an increase of 7.2%.

Carbon footprint of the equity and corporate bonds portfolio



Source : S&P Trucost

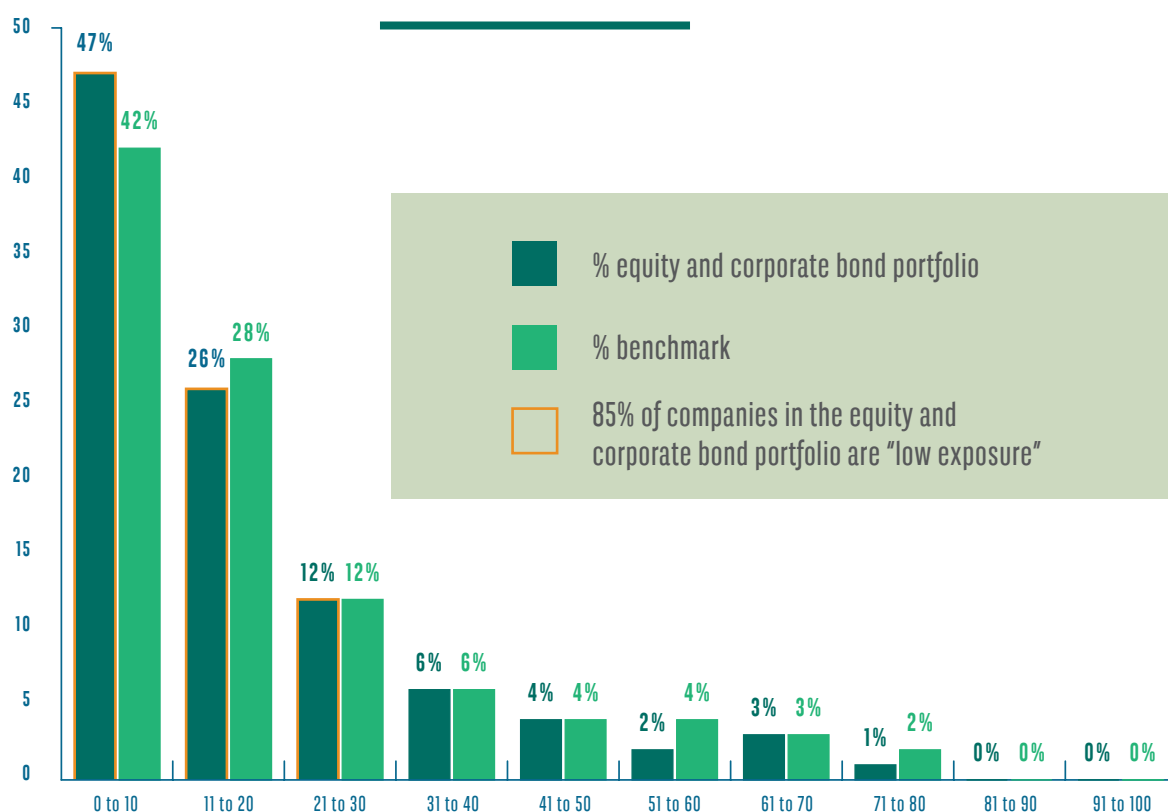
PHYSICAL AND TRANSITIONAL RISKS OF THE PORTFOLIO

Physical risks:

85% of companies in the equity and corporate bond portfolio are "low exposure".

Decile distribution of physical risk scores of directly held corporate assets

(in % of market value at 31/12/2021)



Source : S&P Trucost

Transition risk:

EBITDA at risk of the equity and corporate bond portfolio at 31/12/2021

(Scenario of high carbon prices by 2030)

	EBITDA AT RISK (IN % AVERAGE)	SHARE OF COMPANIES FOR WHICH EBITDA >10%*
Equity and corporate bond portfolio	5.27%	6.97%
Composite benchmark	8.01%	12.79%

Source : S&P Trucost

(* Share (%) of holdings with EBITDA at risk >10%:

This indicator designates the share of Cardif Lux Vie's outstanding investments in companies whose EBITDA at risk is greater than 10%. It identifies the companies most exposed to a rise in the price of carbon.

ALIGNMENT OF THE PORTFOLIO WITH THE TRAJECTORY OF THE PARIS AGREEMENT

Trucost ESG Analysis

S&P Global

According to the Trucost study, the estimated temperature trajectory of the equity and corporate bond portfolio is below 1.75°C. That of the benchmark is between 1.75°C and 2°C.

 carbon4 | finance

According to the Carbon 4 Finance study, the temperature of the portfolio of equities and corporate bonds is 2.4°C compared to 2.9°C for the benchmark.

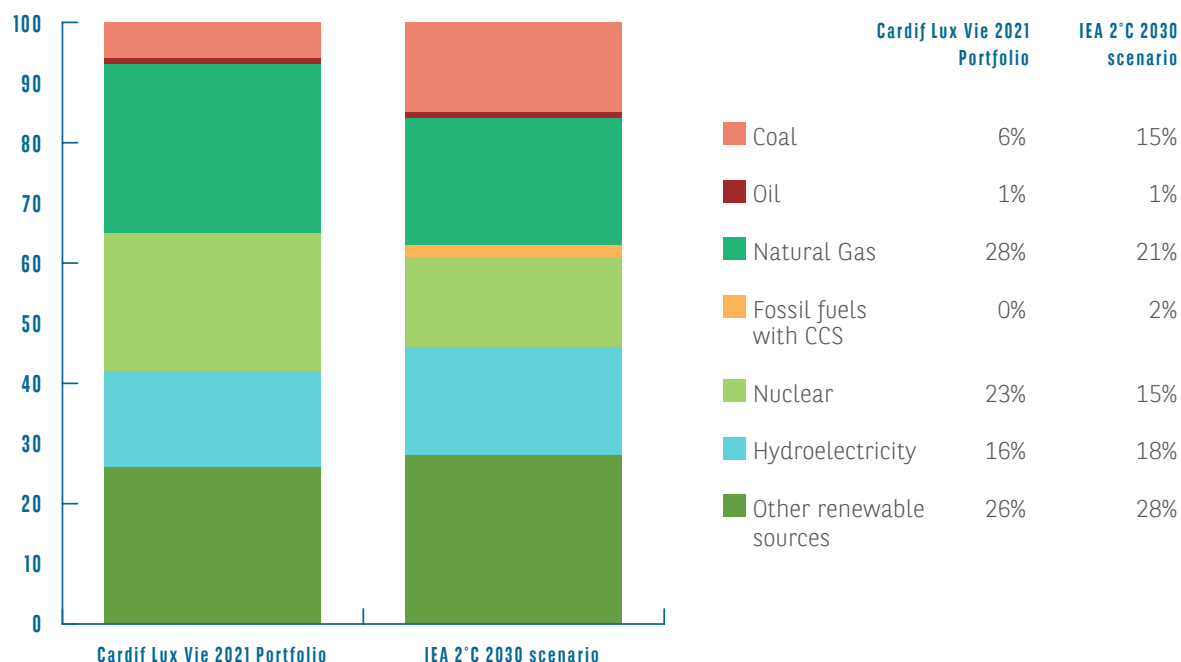
Trucost: The "Temperature" indicator allows a dynamic analysis of the company's carbon performance. This includes a study of the company's historical carbon trajectory and a projection of its future performance. This performance trajectory is compared against a baseline scenario, based on the goals of the 2015 Paris Agreement, with the aim of limiting global warming to less than 2°C.

C4F: The alignment of a portfolio can be described as its contribution to the transition to a certain economy, defined by a specific climate scenario, and leading to an implied temperature increase by the end of the century. This is what C4F seeks to provide with an alignment metric, which is based on strong assumptions made by Carbon 4 and Carbon4 Finance, and which is consistent with a certain vision of the future.



ELECTRICAL MIX

Electrical mix of equities and corporate bonds



Within its General Fund equity and corporate bond portfolios, Cardif Lux Vie analyses the electricity mix of electricity producers and distributors. The electricity mix represents the proportion of the various energy sources in electricity production/distribution.

Cardif Lux Vie compares its electricity mix of producers and distributors with the electricity mix presented by the IEA (International Energy Agency) in its 2°C scenario for 2030 (Energy Technology Perspectives 2017). This scenario defines the energy mix needed to limit the rise in temperature of the Earth's surface to 2°C, based on a carbon budget allocated by business sector.

The energy mix of the assets of electricity producers and distributors in the portfolio is less carbonised than that of the IEA's baseline scenario.

This difference is due to:

- The application of filters to the investment universe which favours the selection of companies with a less carbonised electricity mix (exclusions linked to thermal coal and carbon filter)..
- The significant influence of the energy policies of the countries in which the selected companies operate. Electricity producers in the portfolio are mostly based in western Europe, especially France. In those regions, nuclear energy and hydropower are under-represented compared with the global average..



ASSESSMENT OF THE BIODIVERSITY FOOTPRINT

Methodology

The Global Biodiversity Score (or GBS) can be interpreted as the equivalent of the carbon footprint for biodiversity. It allows economic actors, companies and investors, to assess the impacts of their activities on biodiversity.

The metric used is the MSA (Mean Species Abundance) which assesses the ecological integrity of ecosystems on a scale from 100% (undisturbed ecosystem) to 0% (totally degraded ecosystem). As the pressure increases, the percentage decreases.

This indicator is based on the GLOBIO model, which aims to simulate the impact of different scenarios of human pressure on biodiversity. The MSA is a metric recognised by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) for the assessment of ecosystem integrity (comparison between original and disturbed ecosystems).

The EXIOBASE model allows turnover data to be translated into greenhouse gas emissions and raw material consumption.

THE ANALYSIS OF THE IMPACTS IS DONE IN 4 STEPS:

1. Recovery of economic data:

Companies create products and services and generate turnover...

2. Recovery of ecological inventories:

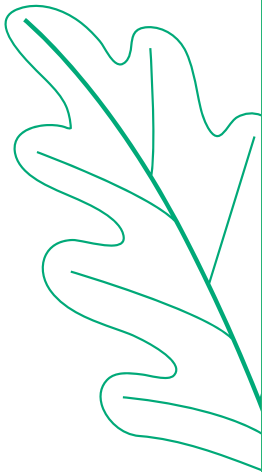
In order to achieve this turnover, companies need raw materials (metals, ores, water, ...).

3. Identifying pressures on biodiversity:

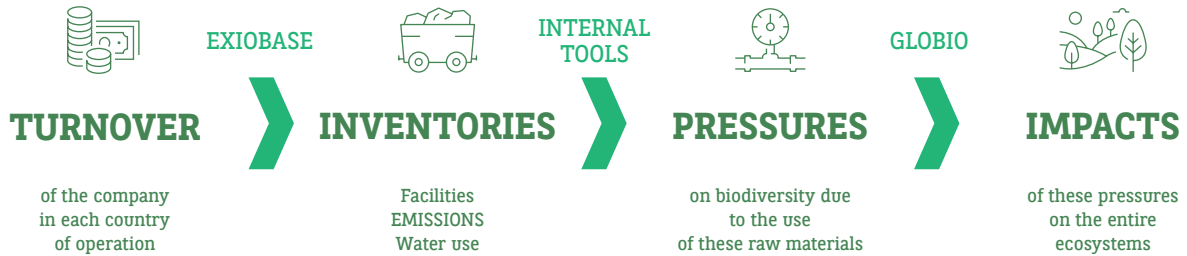
this consumption of natural resources puts pressure on biodiversity.

4. Translating pressures into impacts on ecosystems:

These pressures are translated into an indicator, the Mean Species Abundance (MSA). This indicator therefore makes it possible to quantify the impact of these pressures on a given area.



Evaluation of a company's biodiversity footprint






GBS covers all sectors of activity. More precise analyses are carried out on the most impacting sectors (climate, but also agriculture and the chemical sector).

Carbon4 Finance's BIA-GBS has introduced the MSA.m² equivalent: the MSA is then multiplied by the area concerned. Impacts on biodiversity are expressed in MSA.m² (or mean species abundance per square metre): 1 MSA.m² lost is equivalent to the total destruction of 1m² of initially intact natural area.

The footprint accounts for 2 types of impacts:

- **static impacts**, which correspond to all cumulative impacts prior to the assessment period
- **dynamic impacts**, which correspond to impacts that occurred during the evaluation period

The BIA-GBS covers both terrestrial and freshwater pressures.

	 TERRESTRIAL	 FRESH WATER	 MARINE
Change of use of land and sea	Land use Fragmentation Rock fill	Wetland conversion	
Direct operation	Pressures from resource extraction (agriculture, timber, mining, etc.)	Disruption of the water system due to water use	
Climate change	Climate change	Hydrological disturbance due to climate change	Not covered
Pollution	Aerial nitrogen deposition Ecotoxicity	Land use in wetlands Eutrophication of freshwater Ecotoxicity	
Invasive species	Not covered		

Results of the directly held equity and corporate bonds portfolio

The results presented cover 91% of Cardif Lux Vie's directly held equity and corporate bond portfolio.

Biodiversity footprint in MSA.m²/k€ invested:

	Intensity MSA.m ² /k€ portfolio	Intensity MSA.m ² /k€ benchmark
Aquatic Dynamic	0.05	0.1
Aquatic Static	6	8
Terrestrial Dynamic	3	4
Terrestrial Static	82	105

Source: Biodiversity Impact Analytics powered by the Global Biodiversity Score™ database, Source: GBS 1.1, 02/22, Carbon4 Finance

At 31/12/2021, for every 1,000 euros invested, the impact of the equity and corporate bond portfolio is equivalent to:

- The artificialisation of 6m² of aquatic biodiversity (8m² for the benchmark) and 82m² of terrestrial biodiversity (105m² for the benchmark) as a static impact.
- The artificialisation of 0.05m² of additional aquatic biodiversity (Vs. 0.10m² for the benchmark) and 3m² of additional terrestrial biodiversity (compared to 4m² for the benchmark) in dynamic impact.

Cardif Lux Vie, as a subsidiary of BNP Paribas, contributes to strengthening the Group's commitment to biodiversity, notably through thematic investments dedicated to natural capital.

Biodiversity: Biodiversity is the network of all living organisms, terrestrial, marine and aquatic, and the ecological complexes to which they belong. This network produces oxygen, regulates water, temperature and air quality of the planet as well as natural hazards. These are the ecosystem services that biodiversity provides.



BNP Paribas and the preservation of biodiversity

BNP Paribas is convinced of the importance of the risks and opportunities related to biodiversity and has been committed to preserving biodiversity for several years: inclusion of deforestation and biodiversity criteria in financing and investment policies since 2012, dialogue with clients in the most sensitive sectors, proposals for products and services based on nature-based solutions, signing of act4nature commitments in 2018 (updated in 2021), publication of a position on ocean protection in 2019, extension to biodiversity of research programmes supported by the BNP Paribas Foundation in 2019, etc.

Cardif Lux Vie targets the protection of biodiversity in its investment choices

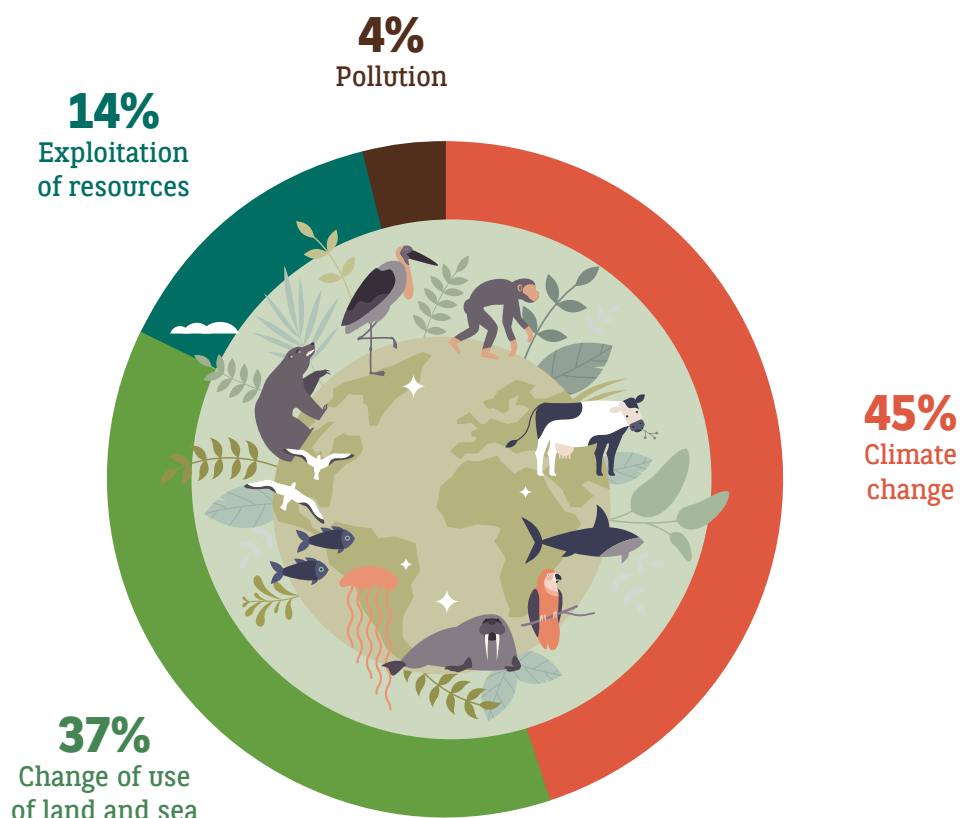
Cardif Lux Vie uses various levers of action to integrate the preservation of biodiversity at the heart of its investments: in particular through investment in funds aimed at preserving biodiversity.

Mirova Althélia Sustainable Ocean Fund - Private equity fund

This fund aims to protect and enhance marine resources around three policies: species protection (fishing and aquaculture companies that can be certified as “sustainable”), circular economy (plastics and wastewater management) and ocean conservation (biodiversity, responsible tourism, infrastructures linked to the blue economy).



Distribution of the biodiversity footprint by IPBES* pressure (equities and corporate bonds)



Climate change is the dominant pressure.

The second dominant pressure in the portfolio under consideration is land/sea use change.

Climate change is the dominant pressure in the Cardif Lux Vie portfolio. The second dominant pressure in the portfolio under consideration is the change in land and sea use (land artificialisation).

Currently, the measurement of the biodiversity footprint is still evolving. There is no universally recognised system of biodiversity metrics for assessing the biodiversity footprint of companies and financial institutions. As with climate metrics, existing biodiversity methodologies should improve significantly in the coming years. Very little data on biodiversity is available, so data providers use estimates.

100% of the data used are estimated.

Detailed breakdown of biodiversity impact by pressure for a given sub-fund - a combination of biodiversity domain and accounting category (e.g. aquatic/dynamic) - expressed in %.
Source: Biodiversity Impact Analytics powered by the Global Biodiversity Score™ database, Source: GBS 1.1, 02/22, Carbon4 Finance
IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)

POSITIVE IMPACT INVESTMENTS WITHIN OUR UC RANGE



We use the expertise of our teams to offer our partners innovative and responsible unit-linked investment solutions.

SRI-LABELLED FUNDS

With regard to the Units of Account offered in its policies, Cardif Lux Vie displays those that have an SRI* label in its range of External Funds. In 2021, Cardif Lux Vie had a list of 61 funds with an SRI label in its range.

DIVERSIPIERRE

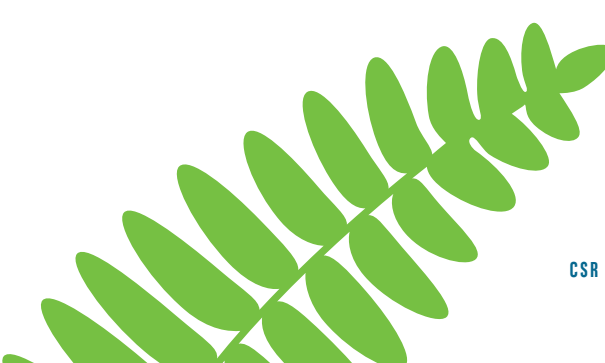
Cardif Lux Vie has extended the **range of External Funds marketed within** of its life insurance and capital redemption policies with the **Diversipierre** fund from BNP Paribas Real Estate Investment Management. This fund represents a new way of **diversifying clients' assets by combining real estate and financial investments**. In addition to the traditional financial and non-financial criteria, **liquidity and SRI (Socially Responsible Investment) criteria** are used in the selection of portfolio securities. The fund managers have long been convinced of the relevance of sustainable management of real estate portfolios and integrate ESG (Environmental, Social and Governance) criteria into the selection of their investments and their real estate management. The objective of this approach is to make a positive contribution to the transition to a sustainable society, while also improving the quality and resilience of the real estate assets held by the SPPICAV over the long term. **In 2020, BNP Paribas Diversipierre was one of the first investment funds to obtain the "SRI label".**

ETF

An ETF (Exchange-Traded Fund) is a listed investment fund composed of shares or bonds from several companies (40 to 100 or sometimes more) that tracks a stock market index. **Cardif Lux Vie already offers its clients a number of SRI-labelled sustainable index funds (ETFs)**. The Company remains attentive to new needs and will support with conviction **any request** for the integration of low carbon, circular economy, ocean economy, green real estate and sustainable infrastructure themes into our ETF range.

CARBON SERENITY ICF

Last year we announced the launch of two new capital protected Internal Collective Funds (ICF), Carbon Serenity 96% and Carbon Serenity 90%, for our life insurance and capital redemption policies. **These funds are ESG (environmental, social and governance) compliant and overall carbon neutral.**



REMINDER OF THE MAIN RESPONSIBLE INVESTMENT LABELS



SRI LABEL

supported by the Ministry of Economy and Finance, the SRI label is awarded after a strict labelling process conducted by independent bodies.



TOWARDS SUSTAINABILITY

Launched by the Belgian financial sector federation Febelfin in February 2019, this label aims to ensure clarity and transparency regarding sustainable investments.

This standard combines three requirements: transparency, ESG (environmental, social and governance) analysis on all portfolios and exclusions with low thresholds, not only on coal but also on non-conventional fossil fuels.



LUXFLAG

European ESG label, launched by the Luxembourg agency Luxflag, which guarantees compliance with ESG criteria throughout the investment chain.



GREENFIN LABEL

launched by the Ministry of the Environment in June 2019 (replacing the TEEC label), this label guarantees the green quality of investment funds and is aimed at financial players who act for the common good through transparent and sustainable practices. The label has the particularity of excluding funds that invest in companies operating in the nuclear and fossil fuel sectors.



FINANSOL

Awarded for the first time in 1997, the Finansol label distinguishes solidarity savings products.



FNG SIEGEL

Sustainable label mainly in Germany, Austria, Switzerland and Liechtenstein.

II. Making life insurance more accessible and responsible

The world is changing profoundly and the environment in which we live is undergoing profound transformation. New challenges and new issues, this context considerably reinforces the relevance of our mission to make life insurance more accessible.

Over the past two years, we have accelerated our transformation by taking into account the new expectations of our clients and partners. We have adapted to this new situation and changed the way we offer our services with simpler, faster and more accessible solutions.

DIGITALISATION

Like many sectors, the life insurance industry is challenged by the volume of data exchanged, which is growing every year. We are experiencing a platform revolution that is changing access to the insurance product.

Digitalisation and improvement of existing systems are therefore at the heart of all the challenges. Offering a simple and quick subscription to meet the demand for immediacy has become fundamental.

The major digitalisation project we are undertaking requires skills from all services, tight management and seamless transversality. We are changing habits, reinventing systems and solutions: a whole value chain needs to be rethought.

With regard to the digitalisation of operations, **we offer smooth digital paths for subscription, redemption, switching and additional payments, whether for individuals or legal entities. We are rapidly extending this digital offer to all our geographical areas and all our management activities.**

Our 100% Paperless process comes with the following features: electronic signature, draft/rough copy mode, drag and drop (upload documents), document preview, automatic reminder management, file upload.



III. Offer a working environment focused on people and the development of all



**Cyril MOREAU
et Leo BAUTA**



“We regularly meet to decide as a team on the “Well-Being” programme that we offer to the Company’s employees. It’s always motivating to know that through our ideas and teamwork, we’re going to get our colleagues moving and make them smile.”

Because Cardif Lux Vie’s employees are the primary actors in the Company’s transformation, we place the development and fulfilment of our teams at the heart of our priorities.

Joining Cardif Lux Vie means joining a multicultural team with international expertise. We value diversity of origin and background, with over 20 different nationalities in our teams.

BALANCE AND WELL-BEING

We are convinced that the balance and well-being of our employees is one of the conditions of our collective success. For many years, we have been offering a range of initiatives that promote the development of all.

In 2021, we organised more than ten “well being” workshops and conferences. Sport, sleep, ergonomics, motivation and leadership are some of the topics that have been addressed by coaches selected directly by volunteer employees involved in our CSR programme.

Like BNP Paribas Cardif, we are also implementing actions to promote a healthy lifestyle and fight against the development of overweight and obesity. Practical advice and meetings with experts are regularly offered to our teams.

TELEWORKING



Stéphanie IMBAUT
Chief Actuary

“The Covid-19 crisis has profoundly changed our relationship to work and to the place where we do our work. Favouring the flexibility and well-being of our teams while maintaining our cohesion and collective efficiency are points to which we paid particular attention when we decided to implement teleworking on a permanent basis.”

After a pilot experiment at the end of 2019, followed by a rapid and successful roll-out in March 2020 during the lockdown, teleworking is now established within the company. At Cardif Lux Vie, working and managing remotely are practices that are supported and facilitated by clear objectives, transparency and regular dialogue between teams.



IV. Acting as a good and committed corporate citizen



Marie GUÉRIN
Communication Officer

“Experiencing something completely different for half a day and acting tangibly for those who need it most, is the feeling I had when I took part in the meal service in a social restaurant in Luxembourg City a few days before Christmas.”

At Cardif Lux Vie, as elsewhere in the BNP Paribas Group, as part of the **1 million hours 2 help programme, each employee is given half a day of solidarity hours per year to devote to an association working in the interest of all.** Last year, 10% of our employees, alone or in teams, carried out a solidarity mission to contribute to a more sustainable world.

Solidarity collections are regularly organised within the company to benefit associations working for children and vulnerable people. For the past three years, employees have been donating toys and surprises at Christmas.

For several years we have also been supporting associations committed to promoting better access to digital technology. We regularly donate laptops, printers and computer equipment.





Environment

As part of our commitment as a responsible investor, we take direct action at the local level to protect the environment and biodiversity.

In 2021, we continued our actions around the preservation of local forest ecosystems. This means that more than **2500 new trees have been planted in the Grand Duchy of Luxembourg as part of a sustainable and concrete partnership with Reforest'Action.**

We involve our teams, partners and clients directly in this positive process. For example, we plant a tree for every new employee who joins our team. Because when it comes to environmental protection, every little step makes a difference, we take care throughout the year to control the environmental impact of our activities and to raise awareness of this among our employees. We are committed to zero plastic in the workplace. We have limited printing and use only recycled and recyclable office supplies.

Finally, for the 4th consecutive year, we have neutralised the CO2 emissions linked to the operation of our website.

CARDIF LUX VIE Public Limited Company

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CARDIF LUX VIE
BNP PARIBAS GROUP

The insurer
for a changing
world