

# BNP PARIBAS ASSET MANAGEMENT

## Overview of operations leading to our new sustainable BNP Paribas Funds range\*

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Investors should ensure that they are fully informed about the sub-funds, classes and sub-classes of shares that are authorised to be marketed in their country of residence and the constraints applicable in each of these countries

## BNPP AM EMBRACES ESG INTEGRATION ACROSS ITS OFFERING

BNP PARIBAS ASSET MANAGEMENT is committed to a sustainable approach to its investments.

All sub-funds will comply with BNPP AM's sustainable investment policy.

The extent to which BNPP AMs sustainable standards and analysis can be applied varies according to the type of sub-fund, asset class, region and instrument used.

For some sub-funds, additional investment guidelines may apply as per the prospectus.

Consequently, this policy will be implemented individually across all portfolios.

ESG<sup>1</sup> standards are integrated in the investment process of each sub-fund according to:

- The 10 principles of the UN Global Compact
- BNP PARIBAS ASSET MANAGEMENT sector policies.

ESG analysis involves the evaluation of non-financial indicators: environmental, social and governance indicators are used by investment managers for each investment process.

Stewardship, public policy engagement, and voting-related engagement are used to influence companies and the world so that they move towards the right path.

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\* As of 30 August 2019

<sup>1</sup> Environmental, Social and Governance

BNP Paribas Asset Management is the source for all data in this document as at end of May 2019, unless otherwise specified

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**BNP PARIBAS**  
**ASSET MANAGEMENT**

The asset manager  
for a changing  
world

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# PARVEST SICAV EVOLUTION

Parvest is renamed BNP Paribas Funds effective 30 August 2019.

The sub-funds are renamed according to a new naming policy.

Additionally, for the sub-fund's name, the abbreviation "BNP Paribas" may be used, followed by the sub-fund's name: "BNP Paribas US Small Cap" for "BNP Paribas Funds US Small Cap".

ISIN codes remain unchanged.

BNP Paribas Funds SICAV is fully ESG integrated. Further information on BNPP AM Global Sustainability Strategy is available on the link below:

<https://www.bnpparibas-am.com/en/our-approach-to-responsibility/as-a-responsible-investor/>

Additional specific ESG requirements will apply to strategies depending on them being:

## 1. Multi-Factor strategies

- Germany Multi-Factor Equity
- Euro Multi-Factor Corporate Bond
- US Value Multi-Factor Equity
- US Multi-Factor Corporate Bond

A low carbon filter allows for a 50% improvement in the carbon footprint of the equity sub-funds relative to that of its benchmark. A score related to ESG and low carbon is calculated for each individual stock in the investment universe and the portfolio is fully rebalanced, selecting the best equities to maximise the final average ESG score.

## 2. Thematic strategies

- Aqua
- Climate Impact
- Energy Transition
- Global Environment
- Green Bond
- Green Tigers
- Human Development
- SMaRT Food

The sub-funds address sustainability by focusing on challenges related to their specific investment themes.

## 3. Best-in-class strategies

- Sustainable Euro Bond
  - Sustainable Euro Corporate Bond
  - Sustainable Global Corporate Bond
- Select issuers with best-in-class practices in sustainability:
    - Their products and services contribute to improving the environment and sustainable development, and have a positive and sustainable impact on the environment and the social climate. The investment universe is provided by the Sustainability Centre of BNPP AM.
  - Based on a three-step ESG scoring process including :
    - Quantitative per country and issuer
    - Qualitative sustainable aspects
    - Positive, Neutral or Negative recommendation

**EQUITY SUB-FUNDS 30 August 2019**

<b>Current name</b>	<b>new name</b>	<b>Current name</b>	<b>new name</b>
Aqua	Aqua	Climate Impact	Climate Impact
Consumer Innovators	Consumer Innovators	Disruptive Technology	Disruptive Technology
Energy Innovators	Energy Transition	Equity Asia ex-Japan Small Cap	Asia ex-Japan Small Cap
Equity Best Selection Asia ex-Japan	Asia ex-Japan Equity	Equity Best Selection Euro	Euro Equity
Equity Best Selection Europe	Europe Equity	Equity Best Selection Europe ex-UK	Europe ex-UK Equity
Equity Best Selection World	Global Equity	Equity Brazil	Brazil Equity
Equity China	China Equity	Equity China A-Shares	China A-Shares
Equity Europe Emerging	Europe Emerging Equity	Equity Europe Growth	Europe Growth
Equity Europe Small Cap	Europe Small Cap	Equity Europe Value	Europe Value
Equity Germany	Germany Multi-Factor Equity	Equity High Dividend USA	US Value Multi Factor Equity
Equity India	India Equity	Equity Indonesia	Equity Indonesia
Equity Japan	Japan Equity	Equity Japan Small Cap	Japan Small Cap
Equity Latin America	Latin America Equity	Equity New Frontiers	Frontiers Equity
Equity Nordic Small Cap	Nordic Small Cap	Equity Russia	Russia Equity
Equity Russia Opportunities	Equity Russia Opportunities	Equity Turkey	Turkey Equity
Equity USA	US Multi Factor Equity	Equity USA Growth	US Growth
Equity USA Mid Cap	US Mid Cap	Equity USA Small Cap	US Small Cap
Equity USA Value DEFI	US Value Multi-Factor Equity	Equity World Emerging	Emerging Equity
Equity World Emerging Low Volatility	Equity World Emerging Low Volatility	Equity World Low Volatility	Global Low Vol Equity
Equity World Telecom	Telecom	Euro Mid Cap	Euro Mid Cap
Finance Innovators	Finance Innovators	Flexible Equity Europe	Euro Defensive Equity
Global Environment	Global Environment	Global Equity Absolute Return Strategy ("GEARS")	Global Absolute Return Equity
Green Tigers	Green Tigers	Health Care Innovators	Health Care Innovators
Human Development	Human Development	Real Estate Securities Europe	Europe Real Estate Securities
Real Estate Securities Pacific	Pacific Real Estate Securities	Real Estate Securities World	Global Real Estate Securities
SMaRT Food	SMaRT Food	Sustainable Equity Europe	Europe Multi Factor Equity
Sustainable Equity High Dividend Europe	Europe Dividend		

## FIXED INCOME SUB-FUNDS

Current name	new name	Current name	new name
Bond Absolute Return V350	Absolute Return Low Vol Bond	Bond Absolute Return V700	Absolute Return Medium Vol Bond
Bond Asia ex-Japan	Asia ex-Japan Bond	Bond Best Selection World Emerging	Emerging Bond Opportunities
Bond Euro	Euro Bond	Bond Euro Corporate	Euro Corporate Bond
Bond Euro Government	Euro Government Bond	Bond Euro High Yield	Euro High Yield Bond
Bond Euro Inflation-Linked	Euro Inflation-Linked Bond	Bond Euro Long Term	Euro Bond Opportunities
Bond Euro Medium Term	Euro Medium Term Bond	Bond Euro Short Term	Euro Short Term Bond Opportunities
Bond Euro Short Term Corporate	Euro Short Term Corporate Bond	Bond RMB	RMB Bond
Bond USA High Yield	US High Yield Bond	Bond USD	Bond USD
Bond USD Short Duration	US Short Duration Bond	Bond World	Global Bond Opportunities
Bond World Emerging	Emerging Bond	Bond World Emerging Local	Local Emerging Bond
Bond World High Yield	Global High Yield Bond	Bond World High Yield Short Duration	Euro High Yield Short Duration Bond
Bond World Income	Flexible Global Credit	Bond World Inflation-Linked	Global Inflation-Linked Bond
Enhanced Cash 6 Months	Enhanced Bond 6M	Covered Bond Euro	Euro Covered Bond
Flexible Bond Europe Corporate	Euro Short Term Corporate Bond Opportunities	Green Bond	Green Bond
Green Bond Emerging	Emerging Green Bond	QIS Multi-Factor Credit Euro IG	Euro Multi-Factor Corporate Bond
Sustainable Bond Euro	Sustainable Euro Bond	Sustainable Bond Euro Corporate	Sustainable Euro Corporate Bond
Sustainable Bond World Corporate	Sustainable Global Corporate Bond	Flexible Bond Euro	Euro Bond Opportunities
Flexible Bond Euro	Flexible Bond Euro	Bond World High Yield Short Duration	Euro High Yield Short Duration Bond

## CONVERTIBLE BOND SUB-FUNDS

Current name	new name	Current name	New name
Convertible Bond Europe	Europe Convertible	Convertible Bond Europe Small Cap	Europe Small Cap Convertible
Convertible Bond World	Global Convertible		

## MULTI-ASSET SUB-FUNDS

Current name	new name	Current name	New name
Diversified Dynamic	Target Risk Balanced	Multi-Asset Income Emerging	Emerging Multi-Asset Income
Premia Opportunities	Premia Opportunities	Cross Asset Absolute Return	Absolute Return Multi-Strategy
Flexible Opportunities	Flexible Opportunities		

## MONEY MARKET SUB-FUNDS

Current name	new name	Current name	new name
Money Market Euro	Euro Money Market	Money Market USD	USD Money Market

## COMMODITIES SUB-FUNDS

Current name	new name
Commodities	Commodities

## EQUITY SUB-FUNDS

### REVAMPING EFFECTIVE 30 AUGUST 2019

- **Parvest Energy Innovators** becomes **BNP Paribas Funds Energy Transition**
  - The benchmark changes from the MSCI Energy index to the MSCI world
  - The team and the process change to global equity based on the internal rate of return process
  - The performance is uncorrelated to energy
  - Exposed to companies in energy efficiency, renewables, sustainable transport, green building and infrastructure
  - A more concentrated portfolio
- **BNP Paribas Funds Euro Defensive Equity** (ex Parvest Flexible Equity Europe)
  - The geographical scope becomes the eurozone instead of the European Economic Area
  - The exposure to currencies other than the EUR will not exceed 10%
- **BNP Paribas Funds Germany Multi-Factor Equity** (ex Parvest Equity Germany): investment policy changes
  - A systematic approach, combining the value, quality, low-volatility and momentum factors is added to the investment strategy
  - No significant impact on the allocation or the exposure

MERGERS EFFECTIVE Q3-Q4 2019

PARVEST Merging sub-funds	BNP Paribas Funds Receiving sub-funds(ex Parvest renamed as of 30 August 2019)	effective date of merger
Sustainable Equity Europe	Europe Multi-Factor Equity	13-Sept-2019
Equity USA	US Multi-Factor Equity	27-Sept-2019
Equity High Dividend USA	Equity USA Value DEFI renamed as from 30-Aug-2019 US Value Multi-Factor Equity	13-Sept-2019
Equity Russia Opportunities	Equity Russia renamed as from 30-Aug-2019 Russia Equity	11-Oct-2019
Equity Indonesia	Equity World Emerging renamed as from 30-Aug-2019	15-Nov-2019
Equity World Emerging Low Volatility	Emerging Equity	
Finance Innovators	Consumer Innovators	22-Nov-2019

- **Parvest Sustainable Equity Europe** merges into **BNP Paribas Funds Europe Multi Factor Equity**  
Effective 13 September 2019
  - The ISIN code changes
  - The benchmark remains the MSCI Europe
  - The SRRI is unchanged
  - The team and the process change to a systematic multi-factor approach including quality, momentum, value and low volatility
  - Includes small and mid-cap stocks
  - The sub-fund is more diversified: up to 100 lines
  - From best-in-class to ESG integration: the aim is to improve the sub-fund's ESG score by 20% and its low-carbon core by 50% relative to that of the benchmark
  
- **Parvest Equity High Dividend USA** merges into **BNP Paribas Funds US Value Multi Factor Equity**  
Effective 13 September 2019
  - The ISIN code changes
  - The benchmark remains the Russell 1000 Value
  - The SRRI is unchanged at 5 on a scale from 1 to 7
  - The team and the process change to a systematic multi-factor approach including quality, momentum, value and low volatility
  - The portfolio includes small and mid-cap stocks
  - The portfolio is more diversified: up to 100 lines with a more dynamic outlook
  - The investment universe matches that of the merging fund with a value universe, related to the value approach through the value factor
  - From best-in-class to ESG integration, the aim is to improve the sub-fund's ESG score by 20% and its low-carbon score by 50% relative to that of the benchmark
  
- **Parvest Equity USA** merges into **BNP Paribas Funds US Multi Factor Equity**  
Effective 27 September 2019
  - The ISIN code changes
  - There is no change in the investment policy
  - The aim is to improve the sub-fund's ESG score by 20% and its low-carbon score by 50% relative to that of the benchmark

- **BNP Paribas Funds Equity Russia Opportunities** merges into **BNP Paribas Funds Russia Equity**  
Effective 11 October 2019
  - The ISIN code changes
  - The benchmark remains the MSCI Russia 10/40 NR
  - The SRRI is unchanged at 6 on a scale from 1 to 7
  - The team and the process are unchanged with fewer concentrated off-benchmark weightings, closer to a core equity country fund. Benchmark stocks account for at least 60%
  - The number of lines is unchanged
  
- **BNP Paribas Funds Equity Indonesia** merges into **BNP Paribas Funds Emerging Equity**  
Effective 15 November 2019
  - The ISIN code changes
  - The benchmark changes to the MSCI Emerging, adding geographic diversification
  - The SRRI is unchanged at 6 on a scale from 1 to 7
  - The team and the process change to the global emerging markets team leveraging on local emerging market research
  - The portfolio is more diversified: up to 100 lines
  - The focus is on quality growth
  
- **BNP Paribas Funds Equity World Emerging Low Volatility** merges into **BNP Paribas Funds Emerging Equity**  
Effective 15 November 2019
  - The ISIN code changes
  - The benchmark remains the MSCI Emerging
  - The SRRI moves from 5 to 6 on a scale from 1 to 7 due to the lift of the low-volatility factor
  - The three-year volatility moves to 10% average from 8%
  - The team and the process change from a systematic low-volatility factor approach to a judgemental quality-growth approach
  
- **BNP Paribas Finance Innovators** merges into **BNP Paribas Funds Consumer Innovators**  
Effective 22 November 2019
  - The ISIN code changes
  - The SRRI is unchanged at 6 on a scale from 1 to 7
  - The team and the process approach are similar
  - The benchmark changes to the MSCI world consumer discretionary +small caps
  - The investment sectors differ, focusing on companies that innovate and benefit from secular consumer growth trends, including major demographic shifts, digitalisation, customisation & experience, health & wellness and responsibility instead of on companies that enable, and benefit from, payments technology, digital financial services, mobile banking, and block chain
  - Since the 2008 financial crisis, the correlation between consumers and financial sectors was around 98%
  - Beyond this significant correlation of finance with consumption, the merger provides investors with access to a broader and more diversified universe
  - The universe comprises small and mid-caps
  
- **Parvest Commodities** transfers to **BNPP Flexi I Commodities**  
Effective 15 November 2019
  - There is no change in the investment strategy
  - The ISIN code changes



## FIXED INCOME SUB-FUNDS

### REVAMPING EFFECTIVE 30 AUGUST 2019

- **Parvest Enhanced Cash 6 Months** will be renamed **BNP Paribas Funds Enhanced Bond 6 Months**
  - There is no change in the investment strategy
  - Money Market Funds Regulation (MMFR) is applicable to any mutual fund investing in short-term assets and having the distinct or cumulative objective of offering yields comparable to those of the money market or preserving the value of the investment. Also applicable to any mutual fund using the denomination “monetary fund” or any other denomination suggesting that a mutual fund or alternative investment fund is such
  - For these reasons, the reference to “cash” in the fund name “Parvest Enhanced Cash 6 Months” no longer complies with a non-money market fund and so, in accordance with the MMFR, it has been removed.
  
- **Parvest Bond World High Yield Short Duration** becomes **BNP Paribas Funds Euro High Yield Short Duration Bond**
  - “Globally issued currencies” will be replaced by “European currencies”
  - The investment strategy is identical, but the geographical scope is changed
  - EUR will replace USD as the accounting currency, and shareclasses will be renamed (but the ISIN codes remain unchanged)
  - Additionally ESG criteria will be integrated
  
- **Parvest Flexible Bond Europe Corporate** becomes **BNP Paribas Funds Euro Short Term Corporate Bond Opportunities**
  - The investment policy will change to:
    - average duration of less than two years
    - the exposure to currencies other than the EUR will not exceed 5% post hedging
  - There is no significant impact on the current investment strategy, asset allocation, or composition of the portfolio
  
- **Parvest Bond Euro Short Term** becomes **BNP Paribas Funds Euro Short Term Bond Opportunities**
  - The reference benchmark is the Bloomberg Barclays Hedged Euro Aggregate Total Return
  - This is a euro aggregate flexible strategy based on flexible duration and credit management
  - The sub-fund aims at generating returns through a wide set of strategies within the global fixed income universe with a bias to eurozone issuers based on qualitative and quantitative approaches combining macro, top-down, and, bottom-up, selection based on short-term tactical views
  - It takes a range of long and short directional positions in bonds, interest rates, inflation, credit, structured securities, currencies and market indices
  - Leveraging can reach 4.5 through the use of futures, forwards, options and swaps
  - The tracking error moves from 350bp max to 400bp max
  - The SRRRI remains at 3 on scale from 1 to 7
  - Currencies are hedged to EUR

MERGERS EFFECTIVE Q3-Q4 2019

PARVEST Merging sub-funds	BNP Paribas Funds Receiving sub-funds (ex Parvest renamed as of 30 August 2019)	effective date of merger
Bond Euro Long Term	Euro Bond Opportunities	29-Nov-2019
Flexible Bond Euro	Euro Bond Opportunities	29-Nov-2019
Bond USD	Bond USD Short Duration renamed as from 30-Aug-2019 US Short Duration Bond	25-Oct-2019

- **BNP Paribas Funds Bond USD merges into BNP Paribas Funds US Short Duration Bond**

Effective 25 October 2019

- The ISIN code changes
- The absorbing fund focuses on shorter duration due to duration management simplifying the access to the US bond market and avoiding high duration risk. As is the case for the merging fund, the absorbing fund invests in USD denominated securities such as US Treasury bonds, sovereign government bonds, supra-nationals bills, mortgage-backed securities, corporate bonds including high-yield, and structured debt.
- The benchmark moves from the Barclays US Aggregate Total Return Value Unhedged USD to the Bank of America Merrill Lynch 1-5year US Corporate and Govt index
- Leverage of 2.5 is cancelled
- Shorter duration average: 4y
- Lower volatility
- The tracking error falls to 100bp max from 250bp max
- The SRRRI falls from 3 to 2 on a scale of 1 to 7
- The underlying investments remain the same: government, corporate and structured securities
- The base currency is still USD; no other currency exposure is allowed

- **BNP Paribas Funds Bond Euro Long Term merges into BNP Paribas Funds Euro Bond Opportunities**

Effective 29 November, 2019

- The ISIN code changes
- The reference benchmark is the Bloomberg Barclays Euro Aggregate Total Return
- This is a euro aggregate flexible strategy based on flexible duration and credit management
- The sub-fund aims at generating returns through a wide set of strategies within the global fixed income universe with a bias to eurozone issuers based on qualitative and quantitative approaches combining macro, top-down, and bottom-selection up from short-term tactical to long-term trend views
- It takes a range of long and short directional positions in bonds, interest rates, inflation, credit, structured securities, currencies and market indices
- It invests in emerging and global geographies
- Up to 35% of the assets can be invested in convertible bonds or equities
- Up to 10% can be invested in ABS, CDOs, and CLOs
- Derivatives include CDS, interest-rate swaps and currency forwards
- Leveraging can reach 4.5 through the use of futures, forwards, options and swaps
- The volatility decreases
- The SRRRI falls from 4 to 3 on a scale from 1 to 7
- Currencies are hedged to EUR

- **BNP Paribas Funds Flexible Bond Euro** merges into **BNP Paribas Funds Euro Bond Opportunities**

Effective 29 November 2019

- The ISIN code changes
- The reference benchmark is the Bloomberg Barclays Euro Aggregate Total Return (previously 3m Euribor)
- The target geography and Investment philosophy are similar
- This is a different approach around a euro aggregate benchmark with significant leeway to target significant added value with duration and flexible credit management
- The euro aggregate flexible strategy is based on flexible duration and credit management
- The sub-fund aims at generating returns through a wide set of strategies within the global fixed income universe with a bias to eurozone issuers based on qualitative and quantitative approaches combining macro, top-down, and bottom-up selection from short-term tactical to long-term trend views
- It takes a range of long and short directional positions in bonds, interest rates, inflation, credit, structured securities, currencies and market indices
- It invests in emerging and global geographies
- Up to 35% of the assets can be invested in convertible bonds or equities
- Up to 10% can be invested in ABS, CDOs, and CLOs
- Derivatives include CDS, interest-rate swaps and currency forwards
- Leveraging can reach 4.5 through the use of futures, forwards, options and swaps
- The volatility might be increased
- Currencies are hedged to EUR

# BNPP L1 SICAV EVOLUTION

- The majority of BNPP L1 sub-funds are transferred or merged into BNP Paribas Funds
- The ISIN codes change

## Equity, fixed income and multi-asset sub-funds and dates

BNP Paribas L1 Merging sub-funds	BNP Paribas Funds Receiving sub-funds(ex Parvest renamed as of 30 August 2019)	effective date of merger
Convertible Bond Best Selection Europe	Convertible Bond World renamed 30-Aug-2019 Global Convertible	11-Oct-2019
Bond Euro High Yield (Feeder)	Bond Euro High Yield (Master) renamed 30-Aug-2019 Euro High Yield Bond	18-Oct-2019
Bond World Emerging Local (Feeder)	Bond World Emerging Local (Master) renamed 30-Aug-2019 Local Emerging Bond	18-Oct-2019
Convertible Bond World (Feeder)	Convertible Bond World (Master) renamed 30-Aug-2019 Global Convertible	18-Oct-2019
Bond Euro Corporate	Euro Corporate Bond Opportunities	13-Sept-2019
Bond Euro Opportunities	Euro Bond Opportunities	29-Nov-2019
Equity Euro	Equity Best Selection Euro renamed 30-Aug-2019 Euro Equity	13-Sept-2019
Equity World Emerging (Feeder)	Equity World Emerging (Master) renamed 30-Aug-2019 Emerging Equity	18-Oct-2019
Equity World Quality Focus (Feeder)	Equity Best Selection World (Master) renamed 30-Aug-2019 Global Equity	18-Oct-2019
SMaRT Food (Feeder)	SMaRT Food (Master)	18-Oct-2019
Equity Europe	Equity Best Selection Europe renamed 30-Aug-2019 Europe Equity	15-Nov-2019
Equity Belgium	Belgium Equity	25-Oct-2019
Equity Europe DEFI	Europe Multi-Factor Equity	13-Sept-2019
Equity USA Core	US Multi-Factor Equity	27-Sept-2019
Multi-Asset Income	Multi-Asset Income	22-Nov-2019
Japan	Japan Multi-Factor Equity	25-Oct-2019
USA	US Multi-Factor Equity	27-Sept-2019
Patrimoine	Sustainable Multi-Asset Stability	06-Dec-2019
Seasons	Seasons	13-Sept-2019
Sustainable Active Balanced	Sustainable Multi-Asset Balanced	06-Dec-2019
Sustainable Active Growth	Sustainable Multi-Asset Growth	06-Dec-2019
Sustainable Active Stability	Sustainable Multi-Asset Stability	06-Dec-2019

## EQUITY SUB-FUNDS

### MERGERS AND TRANSFERS EFFECTIVE Q3-Q4 2019

- **BNPP L1 Equity Euro** is merged into **BNP Paribas Funds Euro Equity**
- **BNPP L1 Equity World Emerging** is merged into **BNP Paribas Funds Emerging Equity**
- **BNPP L1 Equity World Quality Focus** is merged into **BNP Paribas Funds Global Equity**
- **BNPP L1 SMaRT Food** is merged into **BNP Paribas Funds SMaRT Food**
- **BNPP L1 Equity Europe** is merged into **BNP Paribas Funds Europe Equity**
- **BNPP L1 Belgium** is transferred to **BNP Paribas Funds Belgium Equity**
- **BNPP L1 Equity Europe DEFI** is transferred to **BNP Paribas Funds Europe Multi-Factor Equity**
- **BNPP L1 Japan** is transferred to **BNP Paribas Funds Japan Multi-Factor Equity**
- **BNPP L1 USA** is transferred to **BNP Paribas Funds US Multi-Factor Equity**
  - There is no change in the investment strategy
  - The ISIN code changes
  - Additionally ESG criteria will be integrated
- **BNPP L1 Equity USA Core** merges into **BNP Paribas Funds US Multi-Factor Equity**
  - The benchmark changes from the MSCI USA to the S&P 500
  - The team and the process change from a fundamental approach based on company valuations and high-conviction ideas to a systematic multi-factor approach including quality, momentum, value and low volatility
  - The sub-fund is more diversified: up to 100 lines
  - The aim is to improve the sub-fund's ESG score by 20% and its low-carbon score by 50% relative to that of the benchmark
  - The tracking error remains in the range of 2 to 4%
  - The SRRI is unchanged

## FIXED INCOME SUB-FUNDS

### MERGERS AND TRANSFERS EFFECTIVE Q3-Q4 2019

- **BNPP L1 Convertible Bond Best Selection Europe** will merge into **BNP Paribas Funds Global Convertible**
  - The sub-fund will continue to invest at least 2/3 of its assets in convertible bonds focusing on convertible bonds strategies
  - The benchmark changes from the UBS Thomson Reuters Europe Convertible Bond index to the UBS Thomson Reuters Global Focus Hedged Convertible Bond USD.
  - The scope will be global and include emerging markets (exposure to China is limited to 30%)
  - The base currency moves USD from EUR and the currency exposure is hedged to USD
  - The Leverage moves from 2.20 to 1.50
  - Additionally ESG criteria will be integrate
- **BNPP L1 Bond Euro High Yield** is merged into **BNP Paribas Funds Euro High Yield Bond**
- **BNPP L1 Convertible Bond World** is merged into **BNP Paribas Funds Global Convertible**

- **BNPP L1 Bond World Emerging Local** is merged into **BNP Paribas Funds Local Emerging Bond**
- **BNPP L1 Bond Euro Corporate** is transferred to **BNP Paribas Funds Euro Corporate Bond Opportunities**
- **BNPP L1 Bond Euro Opportunities** is transferred to **BNP Paribas Funds Euro Bond Opportunities**. There is no change in the investment strategy
  - The ISIN code changes
  - Additionally ESG criteria will be integrated.

## MULTI-ASSETS SUB-FUNDS

### MERGERS AND TRANSFERS EFFECTIVE Q3-Q4 2019

- **BNPP L1 Multi-Asset Income** is transferred to **BNP Paribas Funds Multi-Asset Income**
- **BNPP L1 Patrimoine** is merged into **BNP Paribas Funds Sustainable Multi-Asset Stability**
  - The ISIN code changes
  - The investment strategy is based on a fund-of-funds approach across asset classes with two specificities :
    - The fixed income bucket is invested mainly in euro-denominated issues
    - Investment focuses on companies and issuers that are trying to find solutions to today's environmental and social changes
  - There is no further commodity exposure
  - Small and mid-cap stocks are added to the scope
  - Additionally ESG criteria will be integrated
- **BNPP L1 Seasons** is transferred to **BNP Paribas Funds Seasons**
- **BNPP L1 Sustainable Active Balanced** is transferred to **BNP Paribas Funds Sustainable Multi-Asset Balanced**
- **BNPP L1 Sustainable Active Growth** is transferred to **BNP Paribas Funds Sustainable Multi-Asset Growth**
- **BNPP L1 Sustainable Active Stability** is transferred to **BNP Paribas Funds Sustainable Multi-Asset Stability**
  - The ISIN code changes
  - There is no change in the investment strategy
  - Additionally ESG criteria will be integrated

## PARWORLD SICAV EVOLUTION

PARWORLD Merging sub-funds	BNP Paribas Funds Receiving sub-funds(ex Parvest renamed as of 30 August 2019)	effective date of merger
Absolute Return Equity Neutral	Global Absolute Return Multi-Factor Equity	13-Sept-2019
Equity World DEFI	Global Multi-Factor Equity	11-Oct-2019
Parworld Quant Equity World Guru	THEAM Quant – Equity World Guru	8-Nov-2019
Parworld Quant Equity Europe Guru	THEAM Quant Equity Europe	08-Nov-2019

- The Parworld sub-funds to be transferred to the BNP Paribas Funds sicav are the following :
  - **Parworld Absolute Return Equity Neutral to BNP Paribas Funds Global Absolute Return Multi-Factor Equity** Effective 13 September 2019
  - **Parworld Equity World DEFI to BNP Paribas Funds Global Multi Factor Equity** Effective 11 October 2019
    - There is no change in the investment policy
    - The ISIN code changes
- The Parworld sub-fund to be transferred to the THEAM sicav is the following :
  - **Parworld Quant Equity World Guru to THEAM Quant Equity World Guru**
  - **Parworld Quant Equity Europe Guru to THEAM Quant Equity Europe Guru**
    - There is no change in the investment policy
    - The ISIN code changes

## BNPP FLEXI I SICAV EVOLUTION

- **BNPP Flexi I Bond Government Euro Restricted** will be transferred to **BNP Paribas Funds Euro High Quality Government Bond** Effective 22 November 2019
  - There is no Investment policy change
  - The ISIN code changes

For more information on the fee evolution with regards to specific sub-funds, please refer to notice to shareholders.

For any **question**, please contact our **Client Service** on + 352 26 46 31 21 or [AMLU.ClientService@bnpparibas.com](mailto:AMLU.ClientService@bnpparibas.com).

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For a Complete description and definition of risks, please consult the last available prospectus and KIID of the funds.

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