

BNP PARIBAS ISLAMIC FUND FCP



SEMI-ANNUAL REPORT at 30/06/2023
R.C.S. Luxembourg K 642



BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world

BNP PARIBAS ISLAMIC FUND

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No subscription can be received on the basis of the financial statements alone. Subscriptions are only valid if made on the basis of the current prospectus, accompanied by the latest annual report and the most recent semi-annual report, if published thereafter.

Organisation

Management Company

BNP PARIBAS ASSET MANAGEMENT Luxembourg, 10 Rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg

Board of Directors of BNP PARIBAS ASSET MANAGEMENT Luxembourg

Chairman

Mr. Pierre MOULIN, Global Head of Products and Strategic Marketing, BNP PARIBAS ASSET MANAGEMENT France, Paris

Members

Mr. Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg

Mr. Georges ENGEL, Independent Director, Vincennes, France

Mrs. Marie-Sophie PASTANT, Head of Index Investment Team, BNP PARIBAS ASSET MANAGEMENT France, Paris

Net Asset Value Calculation

BNP Paribas, Luxembourg Branch, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Depository, Transfer and Registrar Agent

BNP Paribas, Luxembourg Branch, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, Société coopérative, 2 Rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

Effective Investment Managers

- BNP PARIBAS ASSET MANAGEMENT France, 1, Boulevard Haussmann, F-75009 Paris, France
- BNP PARIBAS ASSET MANAGEMENT Najmah Malaysia Sdn Bhd, Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1 Leboh Ampang, 50100 Kuala Lumpur, Malaysia

Fund's Sharia Supervisory Committee

Sheikh Nidham Yaquby

Sheikh Dr. Yousef AL-Shubaily

Dr. Mohamed Daud Bakar

BNP PARIBAS ISLAMIC FUND

Information

BNP PARIBAS ISLAMIC FUND (the “Fund”) is a Sharia-compliant Mutual Investment Fund (*fonds commun de placement* - abbreviated to “FCP”), created under Luxembourg law on 10 February 2006 for an indefinite period.

The Fund is currently governed by the provisions of Part I of the law of 17 December 2010, as amended, governing undertakings for collective investment as well as by the Directive 2009/65/EC as amended by the Directive 2014/91.

The Fund was created on 10 February 2006 and a notice was published in the “*Mémorial, Recueil Spécial des Sociétés et Associations* (the “*Mémorial*”).

The Management Regulations have been modified at various times, most recently on 17 October 2022, and not yet published in the *Memorial*.

The latest version of the Management Regulations has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website www.rcl.lu).

As to net asset values and dividends, the Management Company publishes the Fund's legally required information in the Grand Duchy of Luxembourg and in all other countries where the units are publicly offered. The information is also available on the website: www.bnpparibas-am.com.

The Management Regulations, the Prospectus, the KIID and the periodic reports may be consulted at the Fund's registered office and at the establishments responsible for the Fund's financial services. Copies of the Management Regulations and the annual and interim reports are available upon request.

Except for the newspaper publications required by Law, the official media to obtain any notice to unitholders from will be the website www.bnpparibas-am.com.

The documents and information are also available on the website: www.bnpparibas-am.com.

BNP PARIBAS ISLAMIC FUND

Financial statements at 30/06/2023

		BNP PARIBAS ISLAMIC FUND - Equity Optimiser	BNP PARIBAS ISLAMIC FUND - Hilal Income	Combined
	Expressed in Notes	USD	USD	USD
Statement of net assets				
Assets		53 185 882	8 293 170	61 479 052
<i>Securities portfolio at cost price</i>		44 327 247	7 927 553	52 254 800
<i>Unrealised gain/(loss) on securities portfolio</i>		8 055 168	(552 268)	7 502 900
Securities portfolio at market value	5	52 382 415	7 375 285	59 757 700
Cash at banks and time deposits		370 942	849 462	1 220 404
Other assets		432 525	68 423	500 948
Liabilities		397 324	203 040	600 364
Other liabilities		397 324	203 040	600 364
Net asset value		52 788 558	8 090 130	60 878 688
Statement of operations and changes in net assets				
Income on investments and assets		393 029	216 674	609 703
Management fees	7	356 331	47 949	404 280
Extraordinary expenses	8	4 463	4 500	8 963
Bank interest		24	0	24
Other fees	9	96 127	17 057	113 184
Taxes	10	13 197	2 209	15 406
Transaction fees	14	10 934	0	10 934
Total expenses		481 076	71 715	552 791
Net result from investments		(88 047)	144 959	56 912
Net realised result on:				
Investments securities	5	1 250 128	(944 937)	305 191
Financial instruments	5	(6 612)	(1 458)	(8 070)
Net realised result		1 155 469	(801 436)	354 033
Movement on net unrealised gain/(loss) on:				
Investments securities		5 857 418	1 142 069	6 999 487
Change in net assets due to operations		7 012 887	340 633	7 353 520
Net subscriptions/(redemptions)		(4 986 319)	(15 644 229)	(20 630 548)
Dividends paid	12	0	(14)	(14)
Increase/(Decrease) in net assets during the year/period		2 026 568	(15 303 610)	(13 277 042)
Net assets at the beginning of the financial year/period		50 761 990	23 393 740	74 155 730
Net assets at the end of the financial year/period		52 788 558	8 090 130	60 878 688

BNP PARIBAS ISLAMIC FUND

Key figures relating to the last 3 years (Note 4)

BNP PARIBAS ISLAMIC FUND - Equity

	USD			Number of units
	31/12/2021	31/12/2022	30/06/2023	
Optimiser				30/06/2023
Net assets	65 608 698	50 761 990	52 788 558	
Net asset value per unit				
Units "Classic - Capitalisation"	2 732.11	2 210.55	2 528.06	18 785.220
Units "Classic - Distribution"	153.69	122.53	140.17	15.363
Units "I - Capitalisation"	320 132.03	262 002.64	301 344.24	13.867
Units "I - Distribution"	162 621.95	131 090.78	150 772.71	4.000
Units "Privilege - Capitalisation"	30 345.25	24 773.79	28 458.94	18.078

BNP PARIBAS ISLAMIC FUND - Hilal

	USD			Number of units
	31/12/2021	31/12/2022	30/06/2023	
Income				30/06/2023
Net assets	22 575 773	23 393 740	8 090 130	
Net asset value per unit				
Units "Classic - Capitalisation"	1 657.3858	1 527.1979	1 558.3815	2 369.664
Units "Classic EUR - Capitalisation"	103.6512	101.7619	101.5632	16 877.601
Units "Classic QD - Distribution"	100.9610	91.0640	91.4990	10.000
Units "Privilege - Capitalisation"	17 484.8499	16 200.5443	16 577.3872	152.391

BNP PARIBAS ISLAMIC FUND - Equity Optimiser

Securities portfolio at 30/06/2023

Expressed in USD

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or traded on another regulated market			52 382 415	99.23
Shares			52 382 415	99.23
<i>United States of America</i>			<i>38 343 343</i>	<i>72.62</i>
4 744	ABBVIE INC	USD	639 159	1.21
289	ADOBE INC	USD	141 318	0.27
1 422	AIRBNB INC-CLASS A	USD	182 244	0.35
2 844	AKAMAI TECHNOLOGIES INC	USD	255 590	0.48
9 188	ALPHABET INC-CL A	USD	1 099 804	2.08
1 895	AMERISOURCE BERGEN CORP	USD	364 655	0.69
22 706	APPLE INC	USD	4 404 282	8.34
2 542	APPLIED MATERIALS INC	USD	367 421	0.70
6 181	ARCHER DANIELS MIDLAND CO	USD	467 036	0.88
3 236	ARISTA NETWORKS INC	USD	524 426	0.99
132	AUTOZONE INC	USD	329 124	0.62
233	BOOKING HOLDINGS INC	USD	629 177	1.19
9 484	BRISTOL-MYERS SQUIBB CO	USD	606 502	1.15
661	BROADCOM INC	USD	573 371	1.09
4 268	CARDINAL HEALTH INC	USD	403 625	0.76
6 659	CHEVRON CORP	USD	1 047 794	1.98
2 002	CISCO SYSTEMS INC	USD	103 583	0.20
4 831	COCA-COLA CO	USD	290 923	0.55
4 294	COLGATE-PALMOLIVE CO	USD	330 810	0.63
833	CUMMINS INC	USD	204 218	0.39
310	ELI LILLY & CO	USD	145 384	0.28
1 316	EXPEDIA INC	USD	143 957	0.27
1 797	EXPEDITORS INTERNATIONAL WASH INC	USD	217 671	0.41
11 905	EXXON MOBIL CORP	USD	1 276 811	2.42
1 318	FISERV INC	USD	166 266	0.31
1 396	FORTINET INC	USD	105 524	0.20
9 486	GENERAL MILLS INC	USD	727 576	1.38
1 913	GENUINE PARTS CO	USD	323 737	0.61
1 755	GILEAD SCIENCES INC	USD	135 258	0.26
3 010	HERSHEY CO/THE	USD	751 597	1.42
3 450	HOME DEPOT INC	USD	1 071 708	2.03
982	HUNT (JB) TRANSPRT SVCS INC	USD	177 771	0.34
2 514	ILLINOIS TOOL WORKS	USD	628 902	1.19
4 611	JOHNSON & JOHNSON	USD	763 213	1.45
10 193	KELLOGG CO	USD	687 008	1.30
944	LOWES COS INC	USD	213 061	0.40
5 106	MASCO CORP	USD	292 982	0.56
1 880	MASTERCARD INC - A	USD	739 404	1.40
6 534	MERCK & CO INC	USD	753 958	1.43
2 158	META PLATFORMS INC-CLASS A	USD	619 303	1.17
8 179	MICROCHIP TECHNOLOGY INC	USD	732 757	1.39
4 897	MICRON TECHNOLOGY INC	USD	309 050	0.59
11 787	MICROSOFT CORP	USD	4 013 945	7.60
9 748	MONDELEZ INTERNATIONAL INC - A	USD	711 019	1.35
3 467	NUCOR CORP	USD	568 519	1.08
3 456	NVIDIA CORP	USD	1 461 957	2.77
105	NVR INC	USD	666 815	1.26
7 895	ON SEMICONDUCTOR CORPORATION	USD	746 709	1.41
358	OREILLY AUTOMOTIVE INC	USD	341 997	0.65
5 055	PEPSICO INC	USD	936 287	1.77
6 487	PROCTER & GAMBLE CO.	USD	984 337	1.86
1 104	REGENERON PHARMACEUTICALS	USD	793 268	1.50
6 465	SCHLUMBERGER LTD	USD	317 561	0.60
1 935	TESLA INC	USD	506 525	0.96
685	TEXAS INSTRUMENTS INC	USD	123 314	0.23
3 566	TJX COMPANIES INC	USD	302 361	0.57

BNP PARIBAS ISLAMIC FUND - Equity Optimiser

Securities portfolio at 30/06/2023

Expressed in USD

Quantity	Denomination	Quotation currency	Market value	% of net assets
1 908	UNITED PARCEL SERVICE- B	USD	342 009	0.65
2 607	VERTEX PHARMACEUTICALS INC	USD	917 429	1.74
1 991	VISA INC-CLASS A SHARES	USD	472 823	0.90
1 087	WASTE MANAGEMENT INC	USD	188 508	0.36
	<i>Japan</i>		<i>4 738 828</i>	<i>8.98</i>
2 300	ABC-MART INC	JPY	124 234	0.24
1 400	ADVANTEST CORP	JPY	185 491	0.35
10 800	BRIDGESTONE CORP	JPY	440 264	0.83
27 100	CANON INC	JPY	710 617	1.35
2 900	DAITO TRUST CONSTRUCTION CO LTD	JPY	292 638	0.55
800	DISCO CORP	JPY	125 146	0.24
2 800	GOLDWIN INC	JPY	236 344	0.45
7 600	KAMIGUMI CO LTD	JPY	171 419	0.32
4 200	MEIJI HOLDINGS CO LTD	JPY	93 511	0.18
2 600	NISSIN FOODS HOLDINGS CO LTD	JPY	214 246	0.41
29 000	ONO PHARMACEUTICAL CO LTD	JPY	522 877	0.99
13 700	RENASAS ELECTRONICS CORP	JPY	256 066	0.49
23 100	SANTEN PHARMACEUTICAL CO LTD	JPY	195 863	0.37
1 100	SCREEN HOLDINGS CO LTD	JPY	123 596	0.23
11 600	SECOM CO LTD	JPY	781 627	1.48
16 100	USS CO LTD	JPY	264 889	0.50
	<i>Switzerland</i>		<i>2 163 077</i>	<i>4.10</i>
7 119	NESTLE SA-REG	CHF	856 217	1.62
8 657	NOVARTIS AG - REG	CHF	870 889	1.65
8 771	STMICROELECTRONICS NV	EUR	435 971	0.83
	<i>United Kingdom</i>		<i>1 198 018</i>	<i>2.27</i>
9 823	BURBERRY GROUP PLC	GBP	264 753	0.50
2 449	LINDE PLC	USD	933 265	1.77
	<i>The Netherlands</i>		<i>1 149 876</i>	<i>2.18</i>
1 249	FERRARI NV	EUR	408 116	0.77
5 846	WOLTERS KLUWER	EUR	741 760	1.41
	<i>Sweden</i>		<i>807 518</i>	<i>1.53</i>
6 188	ATLAS COPCO AB-A SHS	SEK	89 027	0.17
18 152	ATLAS COPCO AB-B SHS	SEK	225 612	0.43
57 783	ERICSSON LM - B	SEK	312 471	0.59
10 523	HENNES & MAURITZ AB - B	SEK	180 408	0.34
	<i>Australia</i>		<i>602 647</i>	<i>1.14</i>
5 970	BHP BILLITON LTD	AUD	178 787	0.34
130 217	PILBARA MINERALS LTD	AUD	423 860	0.80
	<i>Canada</i>		<i>557 356</i>	<i>1.06</i>
6 769	DOLLARAMA INC	CAD	458 946	0.87
260	LULULEMON ATHLETICA INC	USD	98 410	0.19
	<i>Germany</i>		<i>542 954</i>	<i>1.03</i>
13 171	INFINEON TECHNOLOGIES AG	EUR	542 954	1.03
	<i>Portugal</i>		<i>525 788</i>	<i>1.00</i>
19 094	JERONIMO MARTINS	EUR	525 788	1.00
	<i>Spain</i>		<i>515 696</i>	<i>0.98</i>
13 330	INDUSTRIA DE DISENO TEXTIL	EUR	515 696	0.98
	<i>Denmark</i>		<i>511 773</i>	<i>0.97</i>
3 177	NOVO NORDISK A/S - B	DKK	511 773	0.97
	<i>Luxembourg</i>		<i>316 873</i>	<i>0.60</i>
21 177	TENARIS SA	EUR	316 873	0.60
	<i>Belgium</i>		<i>309 922</i>	<i>0.58</i>
549	DIETEREN SA/NV	EUR	96 971	0.18
1 908	SOLVAY SA	EUR	212 951	0.40

BNP PARIBAS ISLAMIC FUND - Equity Optimiser

Securities portfolio at 30/06/2023

Expressed in USD

Quantity	Denomination	Quotation currency	Market value	% of net assets
	<i>Ireland</i>		<i>98 746</i>	<i>0.19</i>
320	ACCENTURE PLC - A	USD	98 746	0.19
Total securities portfolio			52 382 415	99.23

BNP PARIBAS ISLAMIC FUND - Hilal Income

Securities portfolio at 30/06/2023

Expressed in USD

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or traded on another regulated market			7 375 285	91.16
Bonds			6 714 667	83.00
<i>Cayman Islands</i>			<i>4 105 806</i>	<i>50.75</i>
300 000	AIR LEASE CORP 5.850% 23-01/04/2028	USD	302 633	3.73
215 000	BOUBYAN SUKUK 2.593% 20-18/02/2025	USD	205 362	2.54
300 000	DIB SUKUK LTD 2.950% 20-16/01/2026	USD	282 978	3.50
300 000	DP WORLD CRESCEN 3.875% 19-18/07/2029	USD	283 263	3.50
200 000	DP WORLD CRESCEN 4.848% 18-26/09/2028	USD	199 092	2.46
300 000	EI SUKUK CO LTD 1.827% 20-23/09/2025	USD	277 137	3.43
200 000	EMAAR SUKUK LTD 3.635% 16-15/09/2026	USD	189 050	2.34
370 000	FAB SUKUK CO LTD 2.500% 20-21/01/2025	USD	353 583	4.36
200 000	KSA SUKUK LTD 2.250% 21-17/05/2031	USD	168 104	2.08
300 000	KSA SUKUK LTD 2.969% 19-29/10/2029	USD	269 397	3.33
200 000	KSA SUKUK LTD 4.270% 23-22/05/2029	USD	193 617	2.39
200 000	MAF SUKUK LTD 3.933% 19-28/02/2030	USD	186 642	2.31
200 000	MAF SUKUK LTD 4.638% 19-14/05/2029	USD	194 906	2.41
250 000	MAR SUKUK LTD 2.210% 20-02/09/2025	USD	234 243	2.90
300 000	SA GLOBAL SUKU 2.694% 21-17/06/2031	USD	257 778	3.19
250 000	SNB SUKUK LTD 2.342% 22-19/01/2027	USD	228 895	2.83
300 000	UNITY 1 SUKUK LT 2.394% 20-03/11/2025	USD	279 126	3.45
<i>Malaysia</i>			<i>891 641</i>	<i>11.02</i>
200 000	AXIATA SPV2 2.163% 20-19/08/2030	USD	168 394	2.08
333 000	DUA CAPITAL LTD 1.658% 21-11/05/2026	USD	299 464	3.70
250 000	MY SUKUK GLOBAL 4.080% 16-27/04/2046	USD	232 003	2.87
250 000	MY WAKALA SUKUK 3.075% 21-28/04/2051	USD	191 780	2.37
<i>United Arab Emirates</i>			<i>677 700</i>	<i>8.38</i>
200 000	ALDAR SUKUK NO 2 3.875% 19-22/10/2029	USD	188 252	2.33
200 000	DAE SUKUK DIFC 3.750% 20-15/02/2026	USD	189 286	2.34
300 000	TABREED SUKUK 5.500% 18-31/10/2025	USD	300 162	3.71
<i>Indonesia</i>			<i>613 033</i>	<i>7.58</i>
300 000	SBSN INDO III 2.800% 20-23/06/2030	USD	265 053	3.28
200 000	SBSN INDO III 3.550% 21-09/06/2051	USD	151 474	1.87
200 000	SBSN INDO III 4.400% 18-01/03/2028	USD	196 506	2.43
<i>Saudi Arabia</i>			<i>221 117</i>	<i>2.73</i>
230 000	SAUDI TELECOM CO 3.890% 19-13/05/2029	USD	221 117	2.73
<i>Luxembourg</i>			<i>205 370</i>	<i>2.54</i>
200 000	TMS ISSUER SARL 5.780% 23-23/08/2032	USD	205 370	2.54
Floating rate bonds			660 618	8.16
<i>Saudi Arabia</i>			<i>660 618</i>	<i>8.16</i>
300 000	ARAB NATIONAL BK 20-28/10/2030 FRN	USD	281 187	3.48
400 000	RIYAD BANK 20-25/02/2030 FRN	USD	379 431	4.68
Total securities portfolio			7 375 285	91.16

Notes to the financial statements

Notes to the financial statements at 30/06/2023

Note 1 - General

BNP PARIBAS ISLAMIC FUND (“the Fund”) has been established for an undetermined period. The Fund may be dissolved at any time by agreement between the Management Company and the Depositary. The Fund may further be dissolved in any circumstances imposed by Luxembourg law. The liquidation of the Fund may not be requested by its Unitholders or by their heirs and beneficiaries.

The net asset values are expressed in US Dollar (USD).

The Fund is open to Islamic and non-Islamic investors alike.

The Fund is an Umbrella Fund containing two sub-funds, open for subscriptions:

- BNP PARIBAS ISLAMIC FUND - Equity Optimiser
- BNP PARIBAS ISLAMIC FUND - Hilal Income

The business of the Fund shall at all times be conducted in a manner that complies with written guidelines relating to Islamic Sharia criteria.

The Fund will observe the following guidelines in its investment activities:

- it will not invest in equity securities where the issuer’s core activity or activities relate to any of the following sectors:

- a) conventional banking or any other interest-related activity
- b) alcohol
- c) tobacco
- d) gaming
- e) gambling
- f) leisure
- g) biotechnology companies involved in human/animal genetic engineering
- h) arms manufacturing
- i) life insurance
- j) pork production, packaging and processing or any other activity relating to pork
- k) sectors/companies significantly affected by the above
- l) hotels and hospitality (unless no alcohol served)
- m) music
- n) films
- o) entertainment.

- it will not invest in any issuer that is unacceptable under Islamic Sharia principles due to excessive debt.

The current criteria exclude issuers whose gross interest-bearing debt to gross assets ratio exceeds the percentage permitted under Islamic Sharia from time to time (which currently is 33 per cent).

In addition, it is not permissible for the Fund to pay or receive interest, although the receipt and payment of dividends from equity securities is acceptable. However, dividends received by the Fund from its investments may comprise an amount which is attributable, for Islamic Sharia purposes, to interest income earned or received by the underlying investee companies as well as to the interest-bearing debt. Where this is the case, the amount of any dividend that is so attributed will be calculated in accordance with Islamic Sharia criteria (dividend cleansing procedure). In accordance with the Islamic Sharia, the amount of dividend income so attributed will be donated once a year by the Fund to Médecins Sans Frontières. For any other charities with no direct or indirect benefit accruing to the Fund or any of its advisers, the donation will be performed from time to time, by the Management Company with the prior approval of the Supervisory Sharia Committee. Since that dividend income received by the Fund will be capitalised and rolled up outside the capital of the Fund, a donation of dividend income to charities will have no effect on the net asset value of the Fund.

Notes to the financial statements at 30/06/2023

Note 2 - General Information

BNP PARIBAS ISLAMIC FUND may be officially subscribed and may solicit public savings in the countries in which it has obtained a commercial distribution licence:

- Luxembourg (10 February 2006)
- Austria (2 September 2007)
- France (7 July 2009)
- Switzerland (30 July 2009)
- Singapore (21 September 2010)
- United Kingdom (11 December 2013)
- Ireland (15 May 2015)
- Germany (11 November 2015)

In addition, BNP PARIBAS ISLAMIC FUND is a restricted recognized scheme in Singapore (since 5 April 2006).

Before making any subscription in a country in which BNP PARIBAS ISLAMIC FUND is registered, it is necessary to verify the unit categories and classes that are authorized for commercial distribution.

Note 3 - The Fund's Units

The Fund's capital is represented by the assets of its various sub-funds. Subscriptions are invested in the assets of the relevant sub-fund.

In each sub-fund, the Management Company may issue Units of the following categories, their main difference being the various commissions and fees charged:

- "Classic": offered to all types of investors.
- "Privilege": offered to all types of investors. This category differs from the "Classic" category in that a specific management fee is charged and a minimum holding amount may be applied.
- "I": reserved to institutional investors and undertakings for collective investment and a minimum holding amount may be applied.
- "I Plus": reserved to authorized investors and a minimum holding amount may be applied.
- "X": reserved to authorized investors.

The categories "Classic", "Privilege", "I" and "I Plus" may offer two classes of Units: Capitalisation units and Distribution units. The category "X" offers only Capitalisation units.

Note 4 - Unit currencies

The net asset value per unit is priced in the currency of the unit class and not in the currency of the sub-fund in the section "key figures relating to the last 3 years".

Note 5 - Principal accounting methods

The financial statements of the Fund are prepared in accordance with the regulatory requirements applicable in the Grand Duchy of Luxembourg.

- *Valuation of the securities portfolio*

- a) The value of non-interest bearing cash in hand, non-remunerated deposits, bills and drafts payable at sight and accounts receivable, prepaid expenses, and dividends due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Management Company deems adequate to reflect the actual value of these assets;

Notes to the financial statements at 30/06/2023

- b) The value of shares or units in undertakings for collective investment shall be determined on the basis of the last net asset value available on the Valuation Day. If this price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Management Company in a prudent and bona fide manner;
- c) The valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and accessible to the public, is based on the last known closing price on the Valuation Day, and, if the securities concerned are traded on several markets, on the basis of the last known closing price on the major market on which they are traded. If this price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Management Company in a prudent and bona fide manner;
- d) Unlisted securities or securities not traded on a stock exchange or another regulated market which functions in a regular manner, is recognised and accessible to the public, shall be valued on the basis of the probable sale price estimated in a prudent and bona fide manner by a qualified professional appointed for this purpose by the Management Company;
- e) Securities denominated in a currency other than the currency in which the sub-fund concerned is denominated shall be converted at the exchange rate prevailing on the Valuation Day;
- f) All liquid instruments may be valued at their nominal value;
- g) At its sole discretion, the Management Company's Board of Directors may permit the use of another valuation method if it believes that this valuation reflects the fair value of one of the Fund's assets more accurately.

Security transactions are accounted for on the date the securities are purchased or sold. Realized gains or losses on investments sold are computed on a weighted average cost basis.

- ***Income on investment assets***

Dividends are recorded as income on the ex-dividend date.

The caption "Income on investments and assets" in the "Statement of operations and changes in net assets" only includes dividends net of withholding tax.

- ***Presentation of the financial statements***

This semi-annual report is prepared on the basis of the last net asset value as at 30 June 2023. In accordance with the prospectus, the net assets were calculated using the latest exchange rates known at the time of calculation.

The stock market prices and exchange rates used to value the securities portfolio at the date of the report are the latest available as at 30 June 2023.

Note 6 - Exchange rates

The exchange rate used for consolidation and for the conversion of units classes denominated in a currency other than the reference currency of the relevant sub-fund as at 30 June 2023 was the following:

USD 1 = EUR 0.91659

Notes to the financial statements at 30/06/2023

Note 7 - Management fees

The management fee is defined for each unit class as mentioned below:

Sub-fund	Category	Management fee
BNP PARIBAS ISLAMIC FUND - Equity Optimiser	Classic	Max. 1.50%
	Privilege	Max. 0.75%
	I	Max. 0.75%
	X	-
BNP PARIBAS ISLAMIC FUND - Hilal Income	Classic	Max. 1.00%
	Privilege	Max. 0.60%
	I	Max. 0.35%
	X	-

Management fees are calculated daily and deducted monthly from the average net assets of a sub-fund, unit category, or unit class, are paid to the Management Company and serve to cover remuneration of the asset managers and also distributors in connection with the marketing of the Fund's units.

Note 8 - Extraordinary expenses

Expenses other than management, performance, distribution and other fees borne by each sub-fund. These expenses include but are not limited to Sharia supervisory committee fees, interest and full amount of any duty, levy and tax or similar charge imposed on a sub-fund, litigation or tax reclaim expenses.

Note 9 - Other fees

Fee serving to cover notably the following services:

- administration, domiciliary and fund accounting
- audit
- custody, depositary and safekeeping
- documentation, such as preparing, printing, translating and distributing the Prospectus, Key Investor Information Documents, financial reports
- ESG certification and service fees
- financial index licensing (if applicable)
- legal expenses
- listing of units on a stock exchange (if applicable)
- management company expenses (including among other AML/CFT, KYC, Risk and oversight of delegated activities)
- marketing operations
- publishing fund performance data
- registration expenses including translation
- services associated with the required collection, tax and regulatory reporting, and publication of data about the Company, its investments and unitholders
- transfer, registrar and payment agency

These fees do not include fees paid to independent Directors and reasonable out-of-pocket expenses paid to all Directors, Fund's Sharia Supervisory Committee fees, expenses for operating hedged units, duties, taxes and transaction costs associated with buying and selling assets, brokerage and other transactions fees, interest and bank fees.

BNP PARIBAS ISLAMIC FUND

Notes to the financial statements at 30/06/2023

Maximum other fees payable by the sub-fund:

Sub-fund	Category	Other fees
BNP PARIBAS ISLAMIC FUND - Equity Optimiser	Classic	Max. 0.40%
	Privilege	Max. 0.25%
	I	Max. 0.20%
	X	Max. 0.50%
BNP PARIBAS ISLAMIC FUND - Hilal Income	Classic	Max. 0.30%
	Privilege	Max. 0.20%
	I	Max. 0.17%
	X	Max. 0.17%

Note 10 - Taxes

The Fund is not liable to any Luxembourg income tax or capital gains tax.

The Fund is liable to an annual “*taxe d’abonnement*” in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

- Sub-funds with the exclusive objective of collective investments in money market instruments and deposits with institutions;
- Sub-funds with the exclusive objective of collective investments with credit institutions;
- Sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this “*taxe d’abonnement*”:

- The value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the “*taxe d’abonnement*”;
- Sub-funds, categories and/or classes:
 - whose securities are reserved to Institutional Investors, Managers, or UCIs and
 - whose sole object is the collective investment in money market instruments and the placing of deposits with institutions, and
 - whose weighted residual portfolio maturity does not exceed 90 days, and
 - that have obtained the highest possible rating from a recognized rating agency;
- Sub-funds, categories and/or classes reserved to:
 - institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
 - companies having one or more employers investing funds to provide pension benefits to their employees;
- Sub-funds whose main objective is investment in microfinance institutions;
- Sub-funds, categories and/or classes:
 - whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
 - whose exclusive object is to replicate the performance of one or several indices.

When due, the “*taxe d’abonnement*” is payable quarterly based on the relevant net assets and calculated at the end of the quarter for which it is applicable.

In addition, the Fund may be subject to foreign UCI’s tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

Note 11 - Changes in the composition of the securities portfolio

The list of changes in the composition of the securities portfolio during the period is available free of charge at the Management Company’s registered office and from local agents.

BNP PARIBAS ISLAMIC FUND

Notes to the financial statements at 30/06/2023

Note 12 - Dividends

For the “Classic QD” unit class, which pay quarterly dividends, the following dividends were paid:

- Payment dates:

Month	Record Date ⁽¹⁾	NAV ex-Dividend Date ⁽²⁾	Payment Date ⁽³⁾
March	31	03 April 2023	6 April 2023
June	30	03 July 2023	6 July 2023

⁽¹⁾ If for a particular reason the valuation was not possible on the day in question, the Record Date would be put off to the preceding valuation date.

⁽²⁾ Dates are based on a valuation simulation. Consequently, dates may change depending on the composition of the portfolio at this date. If for a particular reason, the day in question the valuation was not possible, the ex-date would be put off to the valuation day possible immediately afterwards, and the payment date will be put off 3 bank business days in Luxembourg after the new ex-dividend date. If for a particular reason, the settlement on the new payment date is not possible (e.g. bank holiday on a specific currency or country), settlement will be made the 1st business day after or any other day communicated by the local agent.

⁽³⁾ If this day is not a bank business day in Luxembourg, the payment date will be the next following bank business day. If for a particular reason, the settlement is not possible (e.g. bank holiday on a specific currency or country), settlement will be made the 1st business day after or any other day communicated by the local agent.

- Quarterly amounts:

Sub-fund	Unit class	Currency	Dividend
BNP PARIBAS ISLAMIC FUND - Hilal Income	Classic QD - Distribution	USD	0.89

Note 13 - List of Investment managers

- BNP PARIBAS ASSET MANAGEMENT Najmah Malaysia Sdn Bhd
- BNP PARIBAS ASSET MANAGEMENT France

Sub-fund	Investment managers
BNP PARIBAS ISLAMIC FUND - Equity Optimiser	BNP PARIBAS ASSET MANAGEMENT France
BNP PARIBAS ISLAMIC FUND - Hilal Income	BNP PARIBAS ASSET MANAGEMENT Najmah Malaysia Sdn Bhd

Note 14 - Transaction fees

Transaction fees incurred by the Fund relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are mainly composed of standard fees, sundry fees on transaction, stamp fees, brokerage fees, Depository fees, VAT fees, stock exchange fees and RTO fees (Reception and Transmission of Orders).

In line with bond market practice, a bid-offer spread is applied when buying and selling securities. Consequently, in any given transaction, there will be a difference between the purchase and sale prices quoted by the broker, which represents the broker's fee.

Note 15 - Tax reclaims as part of the Aberdeen/Fokus Bank Project

In several European Union member states, community law grants undertakings for collective investments (UCIs) the right to file claims with a view to recovering taxes they have been unjustly forced to pay. When one member state imposes a greater tax burden on a foreign UCI than on a resident UCI, this constitutes discrimination under community law.

This principle was confirmed by the ruling of the Court of Justice of the European Union (CJEU) in the “Aberdeen” case (18 June 2009). This ruling acknowledges that a non-resident UCI can be subject to discriminatory taxation, which constitutes an obstacle to freedom of establishment and/or the free movement of capital. Other CJEU rulings have subsequently confirmed this jurisprudence. Key examples are the rulings in the Santander (10 May 2010) and Emerging Markets (10 April 2014) cases regarding French and Polish tax legislation, respectively.

Notes to the financial statements at 30/06/2023

In light of this jurisprudence and in order to safeguard the right of UCIs to receive tax rebates, the management company has decided to file claims with the tax authorities in several member states whose discriminatory legislation fails to comply with community law. Preliminary studies will be carried out to determine whether or not the claims are viable, i.e. for which funds, in which member states and over what period of time it is necessary to request a rebate.

To date, there is no European legislation establishing a uniform framework for this type of claim. As a result, the time taken to receive a rebate and the complexity of the procedure vary depending on the member state in question. This means that it is necessary to constantly monitor developments in this regard.

Due to the uncertainty of the recoverability of the amounts, no accrual is recorded and it is booked under the caption "Income on investments and assets" when received.

Note 16 - Information according to regulation on transparency of securities financing transactions

The Fund is not affected by SFTR instruments as at 30 June 2023.

Note 17 - Significant event

Since 24 February 2022, the Board of Directors has been very attentive to the consequences of the conflict between Russia and Ukraine and its impact on the energy shortage and food supplies in Europe. The Board of Directors closely monitors developments in terms of global outlook, market and financial risks in order to take all necessary measures in the interest of unitholders.

VIEWPOINT



BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world