THEAM QUANT FUNDS

Fonds Commun de Placement

PROSPECTUS

MARS 2024

IMPORTANT INFORMATION

General

Units in the Fund are offered on the basis of the information and the representations contained in the current Prospectus accompanied by the KID(s), the latest annual report and semi-annual report, if published after the latest annual report, as well as the documents mentioned herein which may be inspected by the public at the offices of the Management Company and Administrative Agent. The annual report and the semi-annual report form an integral part of the Prospectus.

In addition to the General Section, investors must refer to the relevant Special Section(s) attached at the end of the Prospectus. Each Special Section sets out the specific objectives, policy and other features of the relevant Sub-fund to which the Special Section relates as well as risk factors and other information specific to the relevant Sub-fund.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, conversion or redemption of Units other than those contained in this Prospectus and the KID(s) and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Management Company. Neither the delivery of this Prospectus or of the KID(s) nor the offer, placement, subscription or issue of any of the Units will under any circumstances create any implication or constitute a representation that the information given in this Prospectus and in the KID(s) is correct as of any time subsequent to the date hereof.

The Management Company is responsible for the information and statements contained in this Prospectus and in the KID(s). It has taken all reasonable care to ensure that the information contained in this Prospectus and in the KID(s) is, to the best of its knowledge and belief, true and accurate in all material respects and that there are no other material facts the omission of which makes misleading any statement herein, whether of fact or opinion at the date indicated on this Prospectus.

Investors may, subject to applicable law, invest in any Sub-fund offered by the Fund. Investors should choose the Sub-fund that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard. A separate pool of assets will be maintained for each Sub-fund and will be invested in accordance with the Investment Policy applicable to the relevant Sub-fund in seeking to achieve its Investment Objective. The Net Asset Value and the performance of the Units of the different Sub-funds and Classes thereof are expected to differ. It should be remembered that the price of Units and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated Investment Objective of a Sub-fund will be achieved.

An investment in the Fund involves investment risks including those set out herein under Section 21 of the General Section. In addition, investors should refer to the Section "Specific Risk Factors" of the Special Section of the relevant Sub-fund (if any) in order to assess – and inform themselves on – the specific risks associated with an investment in such Sub-fund.

The Fund is allowed to invest in financial derivative instruments. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. A more detailed description of the risks relating to the use of derivatives may be found under Section 21 of the General Section.

All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Prospectus and the Management Regulations.

Definitions

Unless the context otherwise requires, or as otherwise provided in this Prospectus, capitalised words and expressions will bear the respective meanings ascribed thereto under the Section "Definitions".

Selling Restrictions

The distribution of this Prospectus and the offering or purchase of Units is restricted in certain jurisdictions. This Prospectus and the KID(s) do not constitute an offer of or invitation or solicitation to subscribe for or acquire any Units in any jurisdiction in which such offer or solicitation is not permitted, authorised or would be unlawful. Persons receiving a copy of this Prospectus or of the KID(s) in any jurisdiction may not treat this Prospectus or KID(s) as constituting an offer, invitation or solicitation to them to subscribe for or acquire Units notwithstanding that, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to them without compliance with any registration or other legal requirement. It is the responsibility of any persons in possession of this Prospectus or of the KID(s) and any persons wishing to apply for or acquire Units to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for or purchasers of Units should inform themselves as to the legal requirements of so applying or purchasing, and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

***Luxembourg* -** The Fund is registered pursuant to Part I of the 2010 Act. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the assets held in the various Sub-funds of the Fund. Any representations to the contrary are unauthorised and unlawful.

***European Union* -** The Fund is a UCITS and may be offered for sale in EEA member states, subject to applicable notifications process.

USA – This Prospectus does not constitute an offer or solicitation in respect of any US Person, as defined herein. The Units may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions or to US Persons. Neither the Units nor any interest therein may be beneficially owned by any other US Person. Any re-offer or resale of any of the Units in the United States or to US Persons is prohibited.

The Units have not been registered under the US Securities Act of 1933, as amended (the **US Securities Act**) or the securities laws of any state or political subdivision of the United States, and may not be offered, sold, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any US Person. The Fund has not registered and does not intend to register: (a) under the United States Investment Company Act of 1940, as amended (the **Investment Company Act**) in reliance on the exemption from such registration pursuant to Section 3(c)(7) thereunder; or (b) with the United States Commodity Futures Trading Commission (the **CFTC**) as a commodity pool operator, in reliance on the exemption from such registration pursuant to CFTC Rule 4.13(a)(4). Accordingly, the Units are being offered and sold only outside the United States to persons other than US Persons in offshore transactions that meet the requirements of Regulation S under the US Securities Act.

Each applicant for the Units must certify that it is not a US person as defined in Regulation S under the US Securities Act and CFTC Rule 4.7 and not a US resident within the meaning of the Investment Company Act.

The Fund will not accept any subscriptions from investors that are employee benefit plans or entities whose assets constitute employee benefit plan assets whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended (collectively, **Benefit Plans**), if, after such subscription, the Units held by Benefit Plans would be 25% or more of any Class of Units. If the Fund determines that it has inadvertently accepted any such subscription, it reserves the right to unilaterally redeem such subscription.

Prevailing language

The distribution of this Prospectus and the KID(s) in certain countries may require that these documents be translated into the official languages of those countries. Should any inconsistency arise between the translated versions of this Prospectus, the English version will always prevail.

Data protection

As regards the processing of any Personal Data the Data Subject provides to the Management Company, the Management Company is acting as data controller in the meaning of the Data Protection Legislation. In particular, such data may be processed for the purposes of performing the obligations in relation to the issuance, administration, sale and purchase of Units (including without limitation maintaining the register of Unitholders, processing subscription, redemption and conversion orders, payments of dividends to Unitholders and account and distribution fee administration), compliance with applicable laws and regulations (including without limitation anti-money laundering and terrorism financing identification, tax identification, and, as the case may be, reporting, under FATCA, Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU), the OECD's standard for automatic exchange of financial account information (commonly referred to as the "Common Reporting Standard"), and any other exchange of information regimes to which the Fund may be subject to from time to time), risk management (including determination of the investment profile of Unitholders), prevention of fraud and corruption, handling disputes, litigation or investigations, reporting, auditing, to provide client-related services (including without limitation marketing services) by or for the account of the Management Company or a Service Provider, accounting, as well as in the legitimate interest of the Management Company or a Service Provider. Such information will not be passed on to any unauthorised third persons. Personal Data may however be disclosed to third parties where necessary for legitimate business interests. This may include disclosure to third parties such as financial intermediaries, distributors and/or placing agents, Service Providers, Affiliates of the Management Company, auditors and the regulators or agents of the aforementioned entities who process the Personal Data for carrying out their services and complying with legal obligations including legal obligations under applicable company law and anti-money laundering legislation. Certain of the aforementioned entities and third parties may be situated in countries outside of the European Union which may not have data protection requirements deemed equivalent to those prevailing in the European Union.

The Management Company shall comply with all applicable Data Protection Legislation when processing Personal Data arising out of the subscription documentation. The Data Subject is informed and acknowledges that the Personal Data shall be processed in accordance with the Management Company’s data protection notice accessible via the following link https://www.bnpparibas-am.com/en/footer/data-protection/ as may be amended from time to time (the **Data Protection Notice**).

The Management Company may sub-contract to another entity (such as the Administrative Agent) the processing of Personal Data. When subscribing Units, the Unitholders consent to the aforementioned processing of their Personal Data and in particular the disclosure of their Personal Data as described in the preceding paragraph including the transfer of their Personal Data to parties situated in countries outside of the European Union which may not have the same Personal Data protection laws as in Luxembourg. Reasonable measures will be taken by the Management Company to ensure confidentiality of the Personal Data transferred abroad. However, due to the fact that the Personal Data is transferred electronically and made available outside of Luxembourg, the same level of confidentiality and the same level of protection in relation to data protection regulation as currently in force in Luxembourg may not be guaranteed while the Personal Data is kept abroad. Each individual (related to a) Unitholder whose Personal Data has been processed has a right of access to his/her/its Personal Data and may ask for a rectification thereof in case where such data is inaccurate or incomplete. These rights may be executed by the individual by sending a letter/e-mail to the registered office of the Management Company to the attention of the Administrative Agent or to lux.ta.bp2sclientservices@bnpparibas.com.

Where Personal Data is shared by the Unitholder on Data Subjects relating to such Unitholder with the Management Company, the Unitholder shall ensure that:

(i) such disclosure is in compliance with all Data Protection Legislation and that there is no prohibition or restriction which could: (a) prevent or restrict the Management Company from disclosing or transferring Personal Data to the Service Providers, its Affiliates, or any other third party such as subcontractors, vendors, credit reference agencies and competent authorities pursuant to its obligations under the subscription documentation, and (b) prevent or restrict the the Management Company, its Affiliates, the Service Providers and subcontractors from processing the Personal Data for the purposes set out in this Prospectus.

(ii) it has provided a fair processing notice informing the Data Subjects of the processing of such Personal Data by the Management Company, as described in the Data Protection Notice, including notifying Data Subjects of any updates to the Data Protection Notice. Where required, the Unitholder shall procure the necessary consents from Data subjects to the processing of such Personal Data as described in the Data Protection Notice.

The Unitholder who shares Personal Data from Data Subjects with the Management Company shall indemnify and hold the Management Company harmless for and against all direct and indirect damages and financial consequences arising from any breach of these warranties. Each investor has a right of access to his/her/its personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

GENERAL INFORMATION

Management Company

BNP PARIBAS ASSET MANAGEMENT Europe
1, Boulevard Haussmann
75009 Paris
France

Registered Office of the Fund

60, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Directors and conducting persons of the Management Company

- Sandro Pierri, Director and Chairman
- BNP PARIBAS ASSET MANAGEMENT Holding SA represented by Olivier de Larouzière , Director
- François Delooz, Director
- David Vaillant, Deputy Chief Executive Officer and Director
- Arnaud de Beauchef de Servigny, Director
- Cécile Lesage, Director
- Marion Azuelos, Director
- Jane Ambachtsheer, Director

Depositary and Administrative 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
L-2182 Luxembourg
Grand Duchy of Luxembourg

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DEFINITIONS

In this Prospectus, the following terms have the following meanings:

2010 Act means the act dated 17 December 2010 on undertakings for collective investment, as may be amended from time to time.

Accumulation Class means a Class for which it is not intended to make distributions, as set out in the relevant Special Section.

Administrative Agent means BNP Paribas, Luxembourg Branch in its capacity as administrative agent, paying agent, registrar and transfer agent of the Fund.

Administration Agreement means the administration agency, paying agency, registrar and transfer agency between the Management Company and the Administrative Agent as amended, supplemented or otherwise modified from time to time.

Affiliate means in relation to any person, any entity controlled by or controlling such person or under common Control.

AMF means the *Autorité des marchés financiers*, the French supervisory authority of the financial sector.

Auditor means PricewaterhouseCoopers, *Société Coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg.

Authorised Payment Currency means the currencies in which, in addition to the Reference Currency, subscriptions and redemptions for Units in a particular Class may be made. Unless otherwise specified in respect of a Sub-fund in the relevant Special Section, the Authorised Payment Currency will be the Euro.

Benchmarks Regulation means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

Business Day means, unless otherwise defined in respect of a specific Sub-fund in the relevant Special Section, a day on which banks are generally open for business in Luxembourg and France during the whole day (excluding Saturdays and Sundays and public holidays).

Buy-sell Back Transaction or Sell-buy Back Transaction means a transaction by which a counterparty buys or sells securities, commodities, or guaranteed rights relating to title to securities, agreeing, respectively, to sell or to buy back securities or such guaranteed rights of the same description at a specified price on a future date, that transaction being a buy-sell back transaction for the counterparty buying the securities or guaranteed rights, and a sell-buy back transaction for the counterparty selling them, such buy- sell back transaction or sell-buy back transaction not being governed by a Repurchase Transaction agreement or by a reverse Repurchase Transaction agreement.

Carbon footprint means the greenhouse gas emissions of a company (expressed in CO2-equivalent emissions) and can be measured by distinguishing between three sub-categories (called "Scopes"). Scope 1 concerns the company's direct emissions (such as fuel oil consumption). Scope 2 concerns indirect emissions resulting from the company's activities (such as fuel oil consumption by the company's electricity supplier). Scope 3 concerns indirect emissions resulting from the use of products sold (such as fuel oil consumption by the client's electricity supplier resulting from using the product). Given the status of currently available data, CO_2 emissions relating to Scope 3 are incomplete and difficult to access, and can therefore only be estimated. At the date of this Prospectus Scope 3 is therefore not taken into account.

CFTC means the United States Commodity Futures Trading Commission.

Circular 04/146 means the CSSF circular 04/146 on the protection of UCIs and their investors against Late Trading and Market Timing practices.

Circular 14/592 means the CSSF circular 14/592 implementing the ESMA guidelines 2014/937 of 1 August 2014 on ETFs and other UCITS issues.

Class means a class of Units issued in any Sub-fund.

Class Launch Date means the date, as determined by the Management Company, on which the Fund opens a Class for subscription.

Clearstream means Clearstream Banking, *société anonyme*.

Control means, in relation to an entity: (a) the holding, directly or indirectly, of the majority votes which may be cast at that entity's ordinary shareholders', partners' or members' meetings or the votes necessary to direct or cause the direction of that entity's ordinary shareholders', partners' or members' meetings; and (b) any contractual relationship by virtue of which a person can direct the business activities of a company or other entity and "controlled" or "to control" will be construed accordingly.

Conversion Fee means the fee that may be paid by Unitholders in the event of a conversion of Units as described under Section 7 of the General Section.

CSSF means the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority of the financial sector.

Data Protection Legislation means any applicable law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding instrument which implements the GDPR as such regulation may be implemented or complemented, amended, replaced or repealed from time to time.

Data Subject means (i) any individual involved in or concerned by the Unitholder’s relationship with the Management Company including but not limited to any representatives, contact persons, shareholders or interest holders, beneficial owners, and directors and officers and/or (ii) any individual Unitholder.

Depositary means BNP Paribas, Luxembourg Branch in its capacity as depositary of the Fund.

Depositary Agreement means the depositary agreement between the Management Company and the Depositary as amended, supplemented or otherwise modified from time to time.

Directive 2013/34/EU means Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, as amended from time to time.

Distribution Class means a Class for which it is intended to make distributions, as set out in the relevant Special Section.

Distributors means any person from time to time appointed or authorised by the Management Company to distribute the Units of one or more Sub-funds or Classes.

EEA means the European Economic Area.

Eligible Investments means eligible investments for UCITS within the meaning of Article 41 (1) of the 2010 Act.

Eligible Investor means, in relation to each Class in each Sub-fund, an investor that satisfies the relevant criteria to invest in the relevant Class as is stipulated in the relevant Special Section and that is not a Restricted Person.

EPM Techniques means instruments and technique economically appropriate in that they are realised in a cost-effective way and used to reduce risks or costs or to generate additional capital or income. The techniques and instruments relate to transferable securities or money market instruments, and the risks generated will be consistent with the Sub-Fund's risk profile and be adequately captured by the risk management process as more fully described in Section **Error! Reference source not found.** of the General Section.

ESG means Environmental, Social and Governance

EU means the European Union whose member States at the date of this Prospectus include Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

EU Member State means a member State of the EU.

EUR or **€** means the Euro, the single currency of the any member state of the European Union that adopts or has adopted and, in each case, continues to adopt the Euro as its lawful currency in accordance with the legislation of the European Union.

Euroclear means Euroclear Bank S.A./N.V. as the operator of the Euroclear System.

FATCA means sections 1471 through 1474 of the U.S. Internal Revenue Code.

FCP means a *fonds commun de placement*, an unincorporated contractual co-ownership scheme governed by the Management Regulations under Luxembourg Law in accordance with the 2010 Act.

Financing Assets has the meaning ascribed to this term in Section 3.5 of the General Section.

First Class Institutions means first class financial institutions, subject to prudential supervision and belonging to the categories approved by the CSSF for the purposes of the OTC Derivative transactions and EPM Techniques and specialised in this type of transactions.

Fiscal Year means the twelve (12) month period ending on 31 December in each year, except for the first fiscal year which started on the date of establishment of the Fund and ended on 31 December 2018.

Fund means THEAM QUANT FUNDS, an FCP established pursuant to the Management Regulations and this Prospectus as amended from time to time. For the purposes of this Prospectus, any reference to actions taken by the Fund will be construed as referring to an action taken by the Management Company in its own name but on account of the Fund or a relevant Sub-fund, as the context requires.

Guarantee means in respect of certain Sub-funds, the protection or guarantee issued by the Guarantor in favour of those Sub-funds as further described in the General Section and the relevant Special Section.

Guarantor means BNP PARIBAS SA.

GBP or **£** means British Pounds, the currency of the United Kingdom.

General Section means the general section of the Prospectus that sets out the general terms and conditions applicable to all Sub-funds of the Fund, unless otherwise provided in any of the Special Sections.

GDPR means the General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

GSS the Global Sustainability Strategy policy which governs the approach to sustainability of BNP Paribas Asset Management and can be found on the Management Company website.

High Water Mark has the meaning set out in the relevant Special Section.

Hurdle Rate means in respect of Sub-fund applying Performance Fee, the performance of a reference index as set out in the Special Section.

Indirect Fee means the ongoing charges incurred in underlying UCITS and/or UCIs the Sub-fund is invested in and included in the ongoing charges mentioned in the KID.

Initial Sub-fund means BNP PARIBAS Multi Flexible Income. This Sub-fund has been dissolved as of the 2nd of June 2023

Initial Subscription Period or **Initial Subscription Date** means, with respect to each Sub-fund, the first offering of Units in a Sub-fund made pursuant to the terms of the Prospectus and the relevant Special Section.

Initial Subscription Price means the price at which Units are issued in respect of subscriptions received during the Initial Subscription Period or on the Initial Subscription Date, as determined for each Sub-fund and Class in the relevant Special Section.

Institutional Investors means legal entities acting for their own account and who are either considered to be profesionals for the purpose of Annex II to Directive 2014/65 (MiFID), or who may, on request, be treated as professionals according to applicable local legislation ("Professionals"), UCIs, insurance companies or pension funds subscribing within the scope of a group savings scheme or an equivalent scheme. Portfolio Managers subscribing within the scope of discretionary portfolios management mandates for other than Institutional Investors qualified as Professionals are not included in this category.

Investing Sub-fund has the meaning ascribed to this term in Section 3.42 of the General Section.

Investment Adviser means such person from time to time appointed by the Management Company as the investment adviser to a particular Sub-fund and disclosed (if and to the extent required) in the relevant Special Section.

Investment Company Act means the United States Investment Company Act of 1940, as amended.

Investment Management Agreement means the investment management agreement between the Management Company and the Investment Manager as amended, supplemented or otherwise modified from time to time.

Investment Manager means such person from time to time appointed by the Management Company as the investment manager to a particular Sub-fund and disclosed (if and to the extent required) in the relevant Special Section.

Investment Objective means the predefined investment objective of a Sub-fund as specified in the relevant Special Section.

Investment Policy means the predefined investment policy of a Sub-fund as specified in the relevant Special Section.

Investment Restrictions means the investment restrictions applicable to the Sub-funds. The investment restrictions applicable to all Sub-funds are set out under Section 3 of the General Section. Additional investment restrictions may be applicable to each Sub-fund as set out in the relevant Special Section.

KID means Key Information Document in accordance with Regulation 1286/2014.**Late Trading** means any market timing practice within the meaning of Circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the net asset value applicable to such same day.

Launch Date means the date on which the Fund issues Units relating to a Sub-fund in respect of subscriptions received during the Initial Subscription Period or on the Initial Subscription Date or on the Class Launch Date as set out in respect of each Sub-fund in the relevant Special Section.

Legal Minimum Net Asset Requirement has the meaning ascribed to this term in Section 1.2 of the General Section.

Luxembourg means the Grand Duchy of Luxembourg.

Luxembourg Law means the applicable laws of the Grand Duchy of Luxembourg.

Luxembourg Official Gazette means the *Mémorial C, Recueil des Sociétés et Associations* or the *Recueil électronique des sociétés et associations* (**RESA**).

Management Company means BNP PARIBAS ASSET MANAGEMENT Europe in its capacity as management company of the Fund.

Management Company Fee means the fee to which the Management Company is entitled out of the assets of the Fund as set out in respect of each Class in each Sub-fund in the Special Sections.

Management Regulations means the management regulations governing the Fund, as amended from time to time.

Market Timing means any market timing practice within the meaning of Circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same Luxembourg undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the methods of determination of the net asset value of the UCI.

Maturity Date means the date indicated in the relevant Special Section on which the outstanding Units will be redeemed, the Sub-fund being thereafter liquidated. Unless a Maturity Date is indicated in the relevant Special Section, Sub-funds will have no Maturity Date.

Minimum Holding Amount means the minimum number of Units or amount which a Unitholder must hold at any time in a particular Class in a particular Sub-fund as specified in the relevant Special Section.

Minimum Net Asset Value means, if any, the minimum Net Asset Value for purposes as described further in the Prospectus. Unless otherwise specified in respect of a Sub-fund in the relevant Special Section, the Minimum Net Asset Value per Sub-fund will be EUR 1,250,000 (or the equivalent in the Reference Currency of the relevant Sub-fund).

Minimum Subscription Amount means the minimum number of Units or amount which a Unitholder or subscriber must subscribe for in a particular Class in a particular Sub-fund in which the Unitholder or subscriber does not hold Unit(s) prior to such subscription as specified in respect of a specific Class in a Sub-fund in the relevant Special Section. Unless otherwise specified in respect of a specific Class in a Sub-fund in the relevant Special Section, no Minimum Subscription Amount will apply.

Minimum Subsequent Subscription Amount means, if any, the minimum number of Units or amount which a Unitholder must subscribe for in a particular Class in a particular Sub-fund when subscribing for additional Units of the relevant Class as specified in respect of a specific Class in a Sub-fund in the relevant Special Section. Unless otherwise specified in respect of a specific Class in a Sub-fund in the relevant Special Section, no Minimum Subsequent Subscription Amount will apply.

Money Market Instruments means instruments normally dealt in on a money market which are liquid and have a value which can be accurately determined at any time.

NAV Calculation Day means the Business Day on which the Net Asset Value is calculated in respect of a specific Valuation Day. Unless otherwise provided for in respect of a specific Sub-fund in the relevant Special Section and provided that the subscription, conversion or redemption request be received on the Valuation Day before the applicable subscription, conversion or redemption deadline, the NAV Calculation Day will be the first Business Day following the relevant Valuation Day.

Net Asset Value or **NAV** means the net asset value of the Fund, each Sub-fund, each Class and each Unit as determined in accordance with Section 12 of the General Section.

OECD means the Organisation for Economic Co-operation and Development.

OECD Member State means any of the member States of the OECD.

OTC means over-the-counter.

OTC Derivative means any financial derivative instrument dealt in over-the-counter (including TRS).

Other Fees has the meaning set out in Section 15.6 of the General Section.

Performance Fee means in respect of a Sub-fund if mentioned in the Special Section, the positive difference between the annual performance of the Sub-fund and the Hurdle Rate set out in the Special Section. This fee is payable to the Management Company and/or the Investment Manager and is calculated according to a high water mark methodology.

Personal Data means any information relating to a Data Subject which allows for its direct or indirect identification, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that Data Subject.

Portfolio Manager means any portfolio manager subscribing within the scope of discretionary individual portfolios management mandates.

Prospectus means this prospectus, as amended or supplemented from time to time.

Protected Class means a Class of certain Sub-funds for which a Guarantee is issued by the Guarantor as further described in the General Section and the relevant Special Section.

RBC Policy means the Responsible Business Conduct Policy defining 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies. More information are available on the following link: Responsible Business Conduct Policy.

Redemption Cut-Off Time means the deadline for the submission of redemption requests as set out in Section 7.1 of the General Section, unless otherwise specified in respect of a specific Sub-fund in the relevant Special Section.

Redemption Fee means the fee that may be levied in case of redemption of Units of any Class in any Sub-fund, details of which are set out in the relevant Special Section.

Reference Currency means, in relation to each Sub-fund and Class, the currency in which the Net Asset Value of such Sub-fund or Class is calculated, as stipulated in the relevant Special Section.

Regulated Market means a regulated market as defined in the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended from time to time, or any other market established in the EEA which is regulated, operates regularly and is recognised and open to the public.

Regulation 1286/2014 means Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPS).

Repurchase Transaction means a transaction governed by an agreement by which a counterparty transfers securities or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a Repurchase Transaction agreement for the counterparty selling the securities and a reverse Repurchase Transaction agreement for the counterparty buying them.

Restricted Person means any US Person and any person, determined in the sole discretion of the Management Company as being not entitled to subscribe or hold Units in the Fund or any Sub-fund or Class if, in the opinion of the Management Company, (i) such person would not comply with the eligibility criteria of a given Class or Sub-fund, (ii) a holding by such person would cause or is likely to cause the Fund some pecuniary, tax or regulatory disadvantage or otherwise be detrimental to the Fund or (iii) a holding by such person would cause or is likely to cause the Fund to be in breach of the law or requirements of any country applicable to the Fund.

Retail Investor means any investor not qualifying as an Institutional Investor.

Section means a section of the General Section or of a Special Section as appropriate.

Securities Financing Transaction or **SFT** means (i) a Repurchase Transaction; (ii) Securities Lending and Securities Borrowing or (iii) a Buy-sell Back Transaction or Sell-buy Back Transaction as defined under the SFTR.

Securities Lending or **Securities Borrowing** means a transaction by which a counterparty transfers subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

Service Providers means the Depositary and Administrative Agent, the Investment Manager (if any) and Distributors and any other person who provides services to the Fund from time to time (including, for the avoidance of doubt, any Investment Adviser) but excluding the Management Company.

SFDR means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, also known as the Sustainable Finance Disclosure Regulation (SFDR).

SFT Agent means any person involved in SFT as agent, broker or service provider and that is paid fees, commissions, costs or expenses out of the Fund's assets or any Sub-fund's assets (which can be the counterparty of a Sub-fund in an SFT).

SFTR means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Special Section means each and every supplement to this Prospectus describing the specific features of a Sub-fund. Each such supplement is to be regarded as an integral part of the Prospectus.

Sub-fund means a separate portfolio of assets established for one or more Classes of the Fund which is invested in accordance with a specific Investment Objective. The specifications of each Sub-fund will be described in the relevant Special Section.

Subscription Cut-Off Time means the deadline for the submission of subscription requests as set out in Section 6.7 of the General Section, unless otherwise specified in respect of a specific Sub-fund in the relevant Special Section.

Subscription Fee means the fee that may be levied in case of subscription of Units of any Class in any Sub-fund, details of which are set out in the relevant Special Section.

Sustainable Investment means in accordance with SFDR, (i) an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or (ii) an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or (iii) an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

Synthetic Replication Policy has the meaning ascribed to this term in Section 3.4 of the General Section.

Target Sub-fund has the meaning ascribed to this term in Section 3.42 of the General Section.

Transferable Securities means:

- shares and other securities equivalent to shares;
- bonds and other debt instruments;
- any other negotiable securities which carry the right to acquire any such transferable securities by subscription or to exchanges, with the exclusion of techniques and instruments.

Taxonomy Regulation means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, and amending Regulation (EU) 2019/2088.

TRS means total return swap, i.e., a derivative contract as defined in point (7) of article 2 of the SFTR in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

UCI means an undertaking for collective investment within the meaning of the first and second indent of Article 1(2) of the UCITS Directive, whether situated in a EU Member State or not, provided that:

- such UCI is authorised under laws which provide that it is subject to supervision that is considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;

- the level of guaranteed protection for unitholders in such UCI is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

- the business of such UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

UCITS means an undertaking for collective investment in transferable securities under the UCITS Directive.

UCITS-CDR means to the Commission Delegated Regulation of 17 December 2015 supplementing Directive 2009/65/EC with regard to obligations of depositaries.

UCITS Directive means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended.

Underlying Assets has the meaning ascribed to this term in Section 3.4 of the General Section.

Unitholder means any registered holder of Units.

Units means all units issued by the Fund from time to time, representing the total outstanding units.

USD means the currency of the United States of America.

US Person means a person that is a US person for purposes of Regulation S under the US Securities Act and CFTC Rule 4.7 or a US resident within the meaning of the Investment Company Act, which includes any natural person who is a resident of the United States, any partnership or corporation organized or incorporated under the laws of the United States, any estate of which any executor or administrator is a US person and the income of such estate is subject to United States income tax regardless of source, any trust of which any trustee is a US person and the income of such trust is subject to United States income tax regardless of source and any other US person that is a US person or US resident for purposes of Regulation S under the US Securities Act, the Investment Company Act and CFTC Rule 4.7.

US Securities Act means the US Securities Act of 1933, as amended.

Valuation Day means (unless otherwise defined in respect of a specific Sub-fund in the relevant Special Section) a Business Day on which subscriptions for, conversions from and redemptions of Units can be made in order to be dealt with by the Administrative Agent on the basis of the Net Asset Value that will be calculated on the relevant NAV Calculation Day, based upon the price as of the relevant Valuation Day.

VaR means value-at-risk, the specific risk valuation methodology of a Sub-fund, as indicated if any, in the relevant Special Section.

GENERAL SECTION

The General Section applies to all Sub-funds of the Fund. The specific features of each Sub-fund and Class are set forth in the Special Sections.

1. THE FUND

Form - Legal regime

1.1 The Fund is a Luxembourg *fonds commun de placement* (an unincorporated joint ownership of assets) governed by Part I of the 2010 Act and the Management Regulations. The Fund is managed in the exclusive interest of the Unitholders by the Management Company. The assets of the Fund, which are held in custody by the Depositary, will be segregated from those of the Management Company.

1.2 The net assets of the Fund must at all times be EUR 1,250,000 which amount has to be attained within six months of the Fund's authorisation to operate as a UCI, being provided that Units of a Target Sub-fund held by an Investing Sub-fund will not be taken into account for the purpose of the calculation of the EUR 1,250,000 minimum net asset requirement (the **Legal Minimum Net Asset Requirement**).

1.3 By the acquisition of Units of any Class in the Fund, a Unitholder is deemed to have fully accepted the Management Regulations, which determine the contractual relationship both among the Unitholders and between the Unitholders, the Management Company, and the Depositary.

1.4 The Units are not currently listed on the Luxembourg Stock Exchange but the Management Company may decide to quote one or more Classes of a Sub-fund on the Luxembourg or any other stock exchange, regulated or alternative market.

Umbrella structure - Sub-funds and Classes

1.5 The Fund has an umbrella structure consisting of one or several Sub-funds. A separate portfolio of assets is maintained for each Sub-fund and is invested in accordance with the Investment Objective and Investment Policy applicable to that Sub-fund. The Investment Objective, Investment Policy, as well as the other specific features of each Sub-fund (such as risk profile and duration (including limited duration)) are set forth in the relevant Special Section.

1.6 The rights of the Unitholders and creditors relating to a Sub-fund or arising from the setting-up, operation and liquidation of a Sub-fund are limited to the assets of that Sub-fund. The assets of a Sub-fund are exclusively dedicated to the satisfaction of the rights of the Unitholders relating to that Sub-fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-fund.

1.7 Each Sub-fund is treated as a separate entity and operates independently, each portfolio of assets being invested for the exclusive benefit of this Sub-fund. A purchase of Units relating to one particular Sub-fund does not give the holder of such Units any rights with respect to any other Sub-fund.

1.8 Within a Sub-fund, the Management Company may decide to issue one or more Classes the assets of which will be commonly invested but subject to different fee structures, distribution, marketing targets, currency or other specific features. A separate Net Asset Value per Unit, which may differ as a consequence of these variable factors, will be calculated for each Class.

1.9 The Fund may, at any time, create additional Classes whose features may differ from the existing Classes and additional Sub-funds whose Investment Objectives may differ from those of the Sub-funds then existing. Upon creation of new Sub-funds or Classes, the Prospectus will be updated, if necessary, or supplemented by a new Special Section.

1.10 The Sub-funds are described in more detail in the relevant Special Section.

1.11 Investors should note however that some Sub-funds or Classes may not be available to all investors. The Management Company retains the right to offer only one or more Classes for purchase by investors in any particular jurisdiction in order to conform to local law, customs or business practice or for fiscal or any other reason. The Management Company may further reserve one or more Sub-funds or Classes to Institutional Investors only.

Term of the Fund - Term of the Sub-funds

1.12 Unless the Management Company determines, to terminate the Fund in the case where the value of the net assets of the Fund has decreased to an amount determined by the Management Company to be the minimum level for the Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation, or monetary situation or as a matter of economic rationalisation, the Fund will exist for an indefinite period. However, the Fund will be automatically put into liquidation upon the termination of a Sub-fund if no further Sub-fund is active at that time.

1.13 The Sub-funds may be created with a limited duration in which case Units for which no redemption request has been submitted in respect of the Maturity Date as set out in the relevant Special Section, will be compulsory redeemed at the Net Asset Value per Unit calculated as at such Maturity Date. The Sub-fund will be liquidated on or around the Maturity Date.

2. MANAGEMENT, ADMINISTRATION AND DISTRIBUTION

The Management Regulations

2.1 The rights and obligations of the Unitholders of each Sub-fund, the Management Company and the Depositary are determined by the Management Regulations, which are governed by Luxembourg Law. The text of the Management Regulations should be reviewed in full by prospective investors and will always be available free of charge for inspection at the registered offices of the Administrative Agent.

2.2 The Management Regulations have been deposited at the *Registre de Commerce et des Sociétés*, Luxembourg. The notice of the deposition was published in the Luxembourg Official Gazette on 24 January 2018. The Management Regulations may be amended by the Management Company at any time in accordance with Luxembourg Law and the Management Regulations. Notice of any such amendment will be published in the Luxembourg Official Gazette.

2.3 The provisions of the Management Regulations are deemed accepted by the mere fact of the acquisition of Units by any investor.

Management Company

Corporate information

2.4 BNP PARIBAS ASSET MANAGEMENT Europe (the **Management Company**) is the management company of the Fund. The Management Company is a *société par actions simplifiée* under French law incorporated on 28 July 1980 for 99 years from this date and is subject to the laws of France. Its registered office is at 1, Boulevard Haussmann, F-75009 Paris, France. It is registered with the *Registre du Commerce et des Sociétés* under number 319 378 832 and is approved as a management company under article L.532-1 of the French Monetary and Financial Code.

2.5 The Management Company is authorised to act as a management company of UCITS in the Grand Duchy of Luxembourg under the freedom to provide services in accordance with Chapter 15, II of the 2010 Act.

2.6 The Management Company is managed by a Chairman and a Deputy Chief Executive Officer which have each the broadest powers to act in the Management Company's name, and to perform and authorise all operations and all acts of administration and of disposition in the course of carrying out the Management Company's purpose, subject to the provisions of the French Monetary and Financial Code, the French Commercial Code, the 2010 Act in relation to the activities of the Fund, the Prospectus and the Management Regulations. The Management Company's directors are the following:

(a) Sandro Pierri, Director and Chairman

(b) BNP PARIBAS ASSET MANAGEMENT Holding SA represented by Olivier de Larouzière, Director

(c) François Delooz, Director

(d) David Vaillant, Deputy Chief Executive Officer and Director

(e) Arnaud de Beauchef de Servigny, Director

(f) Cécile Lesage, Director

(g) Marion Azuelos, Director

(h) Jane Ambachtsheer, Director

For the avoidance of any doubt, under French law and in accordance with the by-laws of the Management Company, the board of directors of the Management Company determines the main direction of the management of the company and continuously oversee the conduct of corporate affairs.

Duties

2.7 Pursuant to and subject to the limitations contained in the Management Regulations, the Management Company has the power to perform all acts of management and the exclusive right to manage the Fund for the account of and in the exclusive interests of the Unitholders. The Management Company has responsibility for managing the Fund in accordance with this Prospectus, the Management Regulations, Luxembourg Law and other relevant legal requirements. The Management Company will provide (i) investment management services, (ii) administrative services and (iii) marketing, distribution and sales services to the Fund as listed in annex II of the 2010 Act. The rights and duties of the Management Company are further laid down in the *Règlement Général de l'Autorité des Marchés Financiers*. The Management Company must at all times act honestly and fairly in conducting its activities in the best interest of the Unitholders and in conformity with the *Règlement Général de l'Autorité des Marchés Financiers* and the 2010 Act in relation to the activities of the Fund, the Prospectus and the Management Regulations.

2.8 The Management Company is vested with the day-to-day administration of the Fund. In fulfilling its duties as set forth by the *Règlement Général de l'Autorité des Marchés Financiers,* the Prospectus and the Management Regulations, the Management Company is authorised, for the purpose of more efficient conduct of its business, to delegate, under its responsibility and control, and subject to the approval of the AMF and, where legally required, the CSSF, part or all of its functions and duties to any third party, which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question. The Management Company will remain liable to the Fund in respect of all matters so delegated.

2.9 The Management Company is responsible for implementing the Investment Objective and Investment Policy of each Sub-fund subject to the restrictions set out in Section 3 of the General Section, as may be varied or supplemented for each Sub-fund in the relevant Special Section. The Management Company is also responsible for selecting and retaining on behalf of the Fund the Auditor, the tax and legal advisers, the Depositary, the Administrative Agent and other Service Providers as are appropriate.

2.10 The Management Company will be careful and diligent in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the functions delegated to them.

2.11 The Management Company may, on a case by case basis, delegate to third parties: administration, marketing and distribution as further set forth in this Prospectus and in the Special Sections.

Remuneration policy of the Management Company

2.12 The Management Company applies a sound, effective and sustainable remuneration policy in line with the strategy, risk tolerance, goals and values of the Fund.

2.13 The Remuneration policy is in line with and contributes to sound and effective risk management and does not encourage taking more risk than appropriate within the investment policy and terms and conditions of the Fund.

2.14 The key principles of the remuneration policy of the Management Company are:

- Deliver a market-competitive remuneration policy and practice to attract, motivate and retain best performing employees;
- Avoid conflicts of interest;
- Achieve sound and effective remuneration policy & practice, avoiding excessive risk-taking;
- Ensure long-term risk alignment, and reward of long-term goals;
- Design and implement a sustainable and responsible remuneration strategy, with pay levels and structure which make economic sense for the business.

2.15 All the details of up-to-date remuneration policy of the Management Company, including the persons in charge of awarding the remuneration and benefits an overview of how remuneration is determined, are described on the following website: http://www.bnpparibas-am.com/en/remuneration-disclosure and a paper copy will also be made available free of charge by the Management Company upon request.

Investment Manager

2.16 The Management Company may, subject to compliance with the Prospectus, determine that an Investment Manager be appointed to carry out investment management services and to be responsible for a Sub-fund's investment activities within the parameters and restrictions set out in this Prospectus and the relevant Special Section.

2.17 The Investment Manager will provide or procure each such Sub-fund investment advisory and investment management services, pursuant to the provisions of the Investment Management Agreement and in accordance with the Investment Policy, Investment Objective and restrictions of the relevant Sub-fund as set out in the Management Regulations and Prospectus and with the aim to achieve the Sub-fund's Investment Objective.

2.18 Any such Investment Manager may be assisted by one or more Investment Advisers or delegate its functions, to one or more sub-managers. In case sub-managers/advisers are appointed, the relevant Special Section will be updated.

2.19 Unless otherwise stated in the relevant Special Section, the Investment Manager is responsible for, among other matters, identifying and acquiring the investments of the relevant Sub-fund. Any Investment Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the relevant Sub-funds and provide other investment management services to assist the Fund in achieving the investment objectives and policy set out in this Prospectus and any specific Investment Objective and Investment Policy set out in the relevant Special Section. Consequently, the responsibility for making decisions to buy, sell or hold a particular security or asset rests with the Management Company, the Investment Manager and, as the case may be, the relevant sub-investment manager appointed by them, subject always to the overall policies, direction, control and responsibility of the Management Company.

2.20 If an Investment Manager is entitled to receive a remuneration out of the assets of the relevant Sub-fund, then such remuneration will be disclosed in the relevant Special Section.

Investment Adviser(s)

2.21 The Management Company or an Investment Manager may appoint one or more Investment Advisers to provide advisory services in respect of a Sub-fund as stipulated in the relevant Special Section.

2.22 If an Investment Adviser is entitled to receive remuneration directly out of the assets of the relevant Sub-fund, then such remuneration will be disclosed in the relevant Special Section.

Depositary

2.23 BNP Paribas, Luxembourg Branch (the **Depositary**) has been appointed as depositary of the assets, including the securities and cash and all other assets of the Fund to be entrusted to it and the supervision, in accordance with applicable laws, of all assets of the Fund that are not or cannot be technically "entrusted to" or "kept in safe custody by" the Depositary pursuant to the depositary agreement (the **Depositary Agreement**).

2.24 BNP Paribas, .Luxembourg Branch which is a branch of BNP Paribas. BNP Paribas is a licensed bank incorporated in France as a Société Anonyme (public limited company) registered with the Registre du commerce et des sociétés Paris (Trade and Companies' Register) under number No. 662 042 449, authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and supervised by the Autorité des Marchés Financiers (AMF), with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the Commission de Surveillance du Secteur Financier (the "CSSF").

2.25 The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the law of December 17, 2010), (ii) the monitoring of the cash flows of the Company (as set out in Art 34(2) of the law of December 17, 2010) and (iii) the safekeeping of the Company's assets (as set out in Art 34(3) of the law of December 17, 2010).

2.26 Under its oversight duties, the Depositary is required to:

(a) ensure that the sale, issue, redemption, exchange and cancellation of all Units of each Sub-fund effected by the Management Company on behalf of the Fund are carried out in accordance with the 2010 Act and the provisions of these Management Regulations;

(b) ensure that the value of the Units is calculated in accordance with the 2010 Act and the provisions of these Management Regulations;

(c) carry out the instructions of the Management Company, unless they conflict with the 2010 Act and the provisions of these Management Regulations;

(d) ensure that in transactions involving the assets of each Sub-fund, consideration is remitted to it within the customary time limits;

(e) ensure that the income of each Sub-fund is applied in accordance with these Management Regulations;

(f) monitoring of the Fund's cash and cash flows

(g) safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

2.27 The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

2.28 Conflicts of interest may arise if and when the Management Company or the Fund maintains other business relationships with BNP Paribas, Luxembourg Branch in parallel with an appointment of BNP Paribas, Luxembourg Branch acting as Depositary.

2.29 Such other business relationships may cover services in relation to:

· outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas or its Affiliates act as agent of the Fund or the Management Company, or

· selection of BNP Paribas or its Affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

(a) identifying and analysing potential situations of conflicts of interest;

(b) recording, managing and monitoring the conflict of interest situations either in:

(i) relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members; or

(ii) implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e., by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Unitholders, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

(c) implementing a deontological policy;

(d) recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Fund's interests; or

(e) setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

The Depositary may delegate to third parties the safe-keeping of the Fund's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary’s liability shall not be affected by any such delegation.

2.30 A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationships with the Depositary in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from cristalizing, the Depositary has implemented and maintains an internal organisation whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates’ performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available in the website:

https://securities.cib.bnpparibas/app/uploads/sites/3/2021/11/ucitsv-list-of-delegates-sub-delegates-en.pdf

Such list may be updated from time to time.

Updated information on the Depositary’s custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary.

2.31 BNP Paribas, Luxembourg Branch, being part of a group providing clients with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. The entities involved in the support of internal organisation, banking services, central administration and transfer agency service are listed in the website: https://securities.cib.bnpparibas/luxembourg/.

Further information on BNP Paribas, Luxembourg Branch international operating model linked to the Company may be provided upon request by BNP Paribas, Luxembourg Branch, the Company and / or the Management Company

2.32 Under the Depositary Agreement, the Fund has also appointed BNP Paribas, Luxembourg Branch as its paying agent. In its capacity as paying agent of the Fund, BNP Paribas, Luxembourg Branch is in charge of the payment of the dividends to the Unitholders of the Fund or of the payment of the dividends to the various paying agents that can be appointed from time to time by the Fund with the prior approval of the principal paying agent.

2.33 The relationship between the Fund and the Depositary is subject to the terms of the Depositary Agreement. The Fund and the Depositary may terminate this agreement upon 90 days' prior written notice by registered letter given by one party to the other. The Depositary will continue to act as Depositary pending its replacement (which must be effected within two months) and until all assets of the Fund have been transferred to the successor depositary.

2.34 The fees and costs of the Depositary for the above functions are met by the Management Company out of the Management Company Fee or out the Other Fees as mentioned in the Special Section.

Administrative Agent

2.35 BNP Paribas, Luxembourg Branch is the administrative agent, registrar and transfer agent (the **Administrative Agent**) of the Fund.

2.36 In its capacity as:

(a) administration agent, the Administrative Agent will have as its principal function among other things the calculation of the NAV of the Fund, each Sub-fund and each Class, the maintenance of the Fund's accounting records and the preparation of the financial reports required by this Prospectus and Luxembourg Law;

(b) transfer agent, the Administration Agent will be responsible for the safekeeping and maintaining of the register of Unitholders and for processing issues, repurchases and Transfers of Units in accordance with the Management Regulations and this Prospectus.

2.37 The relationship between the Fund and the Administrative Agent is subject to the terms of an administration agreement entered into between the Administrative Agent and the Fund for an unlimited period of time (respectively, the **Administration Agreement**). The Management Company and the Administrative Agent may terminate at any time these agreements upon ninety (90) days' prior written notice addressed by one party to the other or under other circumstances set out in such agreements.

2.38 The fees and costs of the Administrative Agent for the above functions are met by the Management Company out of the Management Company Fee or out the Other Fees as mentioned in the Special Section.

Distributors and nominees

2.39 The Management Company may appoint Distributors to distribute Units of different Sub-funds from time to time.

2.40 Distributors may provide nominee services to investors in relation to the Units or arrange for third party nominee service providers to provide such nominee services to the underlying investors.

2.41 All Distributors and nominee service providers must be (i) professionals of the financial sector of a FATF member country which are subject under their local regulations to anti money laundering rules equivalent to those required by Luxembourg Law or (ii) professionals established in a non-FATF member State provided they are a subsidiary of a professional of the financial sector of a FATF member State and they are obliged to follow anti money laundering and terrorism financing rules equivalent to those required by Luxembourg Law because of internal group policies. Whilst and to the extent that such nominee arrangements subsist, underlying investors will not appear in the register of Unitholders and will have no direct right of recourse against the Fund or the Management Company.

2.42 Any Distributors or nominee service providers holding their Units through Euroclear or Clearstream or any other relevant clearing system as an accountholder also will not be recognised as the registered Unitholder. The relevant nominee of Euroclear or Clearstream or the other relevant clearing system will be recognised as the registered Unitholder in such event, and in turn would hold the Units for the benefit of the relevant accountholders in accordance with the relevant arrangements.

2.43 The terms and conditions of the distribution agreements with arrangements to provide nominee services will have to allow that an underlying investor who (i) has invested in the Fund through a nominee and (ii) is not a Restricted Person, may at any time, require the transfer in his/her/its name of the Units subscribed through the nominee. After this transfer, the investor will receive evidence of his/her/its unitholding at the confirmation of the transfer from the nominee.

2.44 The Investment Manager may enter into retrocession fee arrangements to the extent permitted under applicable law with any Distributor or other third party which distributes, places or sells Units of the Fund or its Sub-funds, provided that any such arrangement will be designed to enhance the quality of the service to the investors and must not impair the compliance by the Investment Manager with its duty to act in the best interests of the investors.

2.45 Distributors may be entitled to a distribution fee as set out in respect of each Sub-fund in the relevant Special Section.

Auditor

2.46 PricewaterhouseCoopers, *Société coopérative* has been appointed as the Fund's Auditor and will fulfil all duties prescribed by the 2010 Act.

3. INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective

3.1 The Management Company determines the specific Investment Policy and Investment Objective of each Sub-fund, which are described in more detail in the respective Special Section to this Prospectus. Some Sub-funds may use a Synthetic Replication Policy as described below. The Investment Objectives of the Sub-funds will be carried out in compliance with the limits and restrictions set forth under Investment Restrictions below. Each Sub-fund will adhere to the general investment strategy as described hereunder, which in the absence of any unforeseen circumstances or other events may not change.

3.2 The Investment Objective of each Sub-fund is as set out in respect of that Sub-fund in the relevant Special Section.

3.3 There can be no guarantee that the Investment Objective of any Sub-fund will be met.

Sub-funds using a Synthetic Replication Policy

3.4 The Investment Objective of Sub-funds using a synthetic replication policy (a **Synthetic Replication Policy**) is to provide the investors with a return (either on such payout date(s) and/or at the Maturity Date, as determined in the relevant Special Section, or on a daily basis) linked to one or several underlying assets (the **Underlying Assets**). However, those Sub-funds will generally not invest directly (and/or fully) in the Underlying Assets. Instead, the exposure to the performance of the

Underlying Assets will be achieved by way of the conclusion of OTC Derivative, negotiated at arm's length basis with one or several swap counterparties. The return that the Unitholders will receive will be dependent on the performance of the Underlying Assets. The Sub-funds may also at any time (i) invest part or all of the net proceeds of any issue of Units in the Financing Asset in accordance with the Investment Restrictions and will exchange all or part of the performance and/or income of such Financing Asset to gain exposure to the Underlying Assets or (ii) enter into OTC Derivatives with a full or partial initial exchange of the net proceeds of any issue of Units.

3.5 The Sub-funds may also invest all or part of the net proceeds of the issue of Units in Transferable Securities or Money Market Instruments issued by (a) financial institutions or corporates, (b) sovereign states that are OECD Member States and/or supranational organisations/entities, (c) special purpose vehicles that are rated (or invested in rated bonds), and/or potentially some cash deposits with financial institutions, in each case with investment grade ratings by a recognised rating agency or equivalent long-term credit ratings at the time of the investment, all in accordance with the Investment Restrictions. The Sub-fund will exchange through the conclusion of OTC Derivatives the performance and/or the income of such Transferable Securities or Money Market Instruments against a payoff linked to the Underlying Assets. Such Transferable Securities, or Money Market Instruments or other eligible assets (such as deposits) will then constitute the **Financing Asset**.

3.6 The Sub-funds may also enter into EPM Techniques in accordance with the restrictions set out under Section 4 of the General Section.

3.7 The return that Unitholders will receive will be dependent on the performance of the Financing Asset, the performance of the Underlying Assets and the performance of any techniques used to link the Financing Asset to the Underlying Assets. The Underlying Assets will be based on a passive strategy (typically a financial index or a rules-based strategy) or an active strategy according to which the real or notional basket comprising the Underlying Assets is actively managed in accordance with the Investment Restrictions.

3.8 There is no assurance that the Investment Objective of any Sub-fund using a synthetic replication will actually be achieved. The Financing Asset and any techniques used to link the Financing Asset to the Underlying Assets or the financial derivative instrument(s) used to link the net proceeds of any issue of Units to the Underlying Assets will be managed by the Management Company. The management of the Financing Asset will generally not involve the active buying and selling of securities on the basis of investment judgement and economic, financial and market analysis.

Other investment policy

3.9 Other Sub-funds may follow other investment policy different from a Synthetic Replication Policy, in such case, the Investment Policy will be fully described in the relevant Special Section.

Use of financial derivative instruments

3.10 The Sub-funds are authorised to use financial derivative instruments either for hedging or efficient portfolio management purposes or as part of their investment strategies as described in the relevant Special Sections. Unless stated otherwise in a Special Section, a Sub-fund which uses financial derivative instruments derivatives will do so for hedging and/or efficient portfolio management purposes only. Sub-funds using derivatives will do so within the limits specified in Section 4 of the General Section. Investors should refer to the risk factors in Sections 19.21 to 19.36 of the General Section for special risk considerations applicable to financial derivative instruments. The Sub-funds will only enter into OTC transactions with First Class Institutions specialised in those transactions.

Use of EPM Techniques

The Sub-funds are authorised to employ EPM Techniques within the limits specified in Section 4 of the General Section. Investors should inter alia refer to the risk factors under Sections 19.37 to 19.39 of the General Section for special risk considerations applicable to EPM Techniques.

Guarantee in respect of Protected Classes

3.11 In respect of the Protected Classes as further described in the relevant Special Section of a Sub-fund, the Guarantor will guarantee or grant a protection, up to a certain level as further described in the Special Section. The Guarantee will be granted to the Sub-fund for such period as set out in the Special Section.

3.12 The Guarantee may however be reduced by any amount outstanding or paid by the relevant Sub-fund or having an impact on the relevant financial derivative instrument, as may be determined by the Guarantor in accordance with the Management Company, including any direct or indirect financial liability, deriving of tax constraints or others, resulting from the creation of new obligations for the Sub-fund, or affecting the financial derivative instrument entered into by the Sub-fund, due to a change of the applicable laws and regulations effective upon the launch of the Sub-fund or with respect to any given Protected Class, due to any other event as further described in the Special Section relating to the Sub-fund to which such Protected Class relates. With respect to any given Protected Class, the Guarantee shall be limited to the number of outstanding Units of such Protected Class or Sub-fund itself limited to the maximum number of Units as further described in the Special Section relating to such Protected Classes.

3.13 The Guarantee may be terminated by the Guarantor in its discretion in the following cases:

(i) amalgamation, split, transformation or liquidation of the relevant given Sub-fund or the Fund;

(ii) change of the Depositary or of the Management Company, or modification in the control of the Management Company without the prior consent of the Guarantor;

(iii) modification of the content of the General Section or the Special Section relating to the Protected Class, without the prior consent of the Guarantor;

(iv) termination of the specific financial instruments entered into between the Sub-fund in respect of a Protected Class and the Guarantor; and

(v) with respect to any given Protected Class, any other case described in the Special Section relating to the Sub-fund to which such Protected Class relates.

Investment Policy

3.14 The Investment Policy of each Sub-fund is as set out in respect of that Sub-fund in the relevant Special Section.

In case of exceptional market conditions (e.g. including, but not limited to an interruption of trading of investment instruments or in the event that an index ceases to be quoted) the Management Company may temporarily (i) change the replication policy of a given Sub-fund or (ii) replace an investment strategy with an exposure to a substitute investment strategy or to money market instruments or (iii) maintain the exposure to the investment strategy as last known before the occurrence of the exceptional market conditions.

Benchmarks policy of the Management Company

3.15 The Management Company has established and maintains a robust written plan, available free of charge, setting out the actions to take in the event that a benchmark materially changes or ceases to be provided within the meaning of the Benchmarks Regulation.

For each of the Sub-funds, investors are invited to consult the relevant Special Sections to obtain the list of indices used as benchmarks within the meaning of the Benchmarks Regulation and the registration status of the administrators of such indices, in accordance with article 36 of the Benchmarks Regulation.

Investment Restrictions

3.16 The Fund and the Sub-funds are subject to the Investment Restrictions set forth below.

3.17 The management of the assets of the Sub-funds will be undertaken within the following Investment Restrictions. **A Sub-fund may be subject to additional Investment Restrictions set out in the relevant Special Section. In the case of any conflict, the provisions of the relevant Special Section will prevail.**

Investment instruments

3.18 The Fund's investments may consist solely of:

(a) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an EU Member State;

(b) Transferable Securities and Money Market Instruments dealt on another Regulated Market;

(c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on another market in any country of Western or Eastern Europe, Asia, Oceania, the American continents or Africa;

(d) new issues of Transferable Securities and Money Market Instruments, provided that:

(i) the terms of issue include an undertaking that application will be made for admission to official listing on any stock exchange or other Regulated Market referred to in Section 3.18(a), (b) and 3.18(c) of the General Section;

(ii) such admission is secured within a year of issue;

(e) units of UCITS and/or other UCIs within the meaning of article 1, paragraph (2), points a) and b) of the UCITS Directive, whether situated in an EU Member State or not, provided that:

· such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;

· the level of protection for unitholders in such other UCIs is equivalent to that provided for share/unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

- the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;

- no more than 10% of the net assets of the UCITS or other UCI whose acquisition is contemplated, can, according to their fund rules or constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

(f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market referred to in Section 3.18(a), (b) and (c) of the General Section; and/or OTC Derivatives, provided that:

(i) the underlying consists of instruments covered by this Section 3.18, financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-fund may invest according to its Investment Objectives as stated in the relevant Special Section;

(ii) the counterparties to OTC Derivative transactions are First Class Institutions; and

(iii) the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;

(h) Money Market Instruments other than those dealt in on a Regulated Market if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

(i) issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in the case of a federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or

(ii) issued by an undertaking, any securities of which are listed on a stock exchange or dealt in on Regulated Markets referred to in Section 3.18(a), 3.18(b) or 3.18(c) of the General Section; or

(iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or

(iv) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection rules equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR10 million and which (i) represents and publishes its annual accounts in accordance with Directive 2013/34/EU, (ii) is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or (iii) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

3.19 However, each Sub-fund may:

(a) invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to under Section 3.18 of the General Section; and

(b) hold liquid assets on an ancillary basis.

Risk diversification

3.20 In accordance with the principle of risk diversification, the Fund is not permitted to invest more than 10% of the net assets of a Sub-fund in Transferable Securities or Money Market Instruments of one and the same issuer. The total value of the Transferable Securities and Money Market Instruments in each issuer in which more than 5% of the net assets are invested, must not exceed 40% of the value of the net assets of the respective Sub-fund. This limitation does not apply to deposits and OTC Derivative transactions made with financial institutions subject to prudential supervision.

3.21 The Fund is not permitted to invest more than 20% of the net assets of a Sub-fund in deposits made with the same body.

3.22 Notwithstanding the individual limits laid down in Sections 3.20 and 3.21 of the General Section, a Sub-fund may not combine:

(a) investments in Transferable Securities or Money Market Instruments issued by,

(b) deposits made with, and/or

(c) exposures arising from OTC Derivative transactions undertaken with,

a single body in excess of 20% of its net assets.

3.23 The 10% limit set forth in Section 3.20 of the General Section can be raised to a maximum of 25% in case of certain bonds issued by credit institutions which have their registered office in an EU Member State and are subject by law, in that particular country, to specific public supervision designed to ensure the protection of bondholders. In particular the funds which originate from the issue of these bonds are to be invested, in accordance with the law, in assets which sufficiently cover the financial obligations resulting from the issue throughout the entire life of the bonds and which are allocated preferentially to the payment of principal and interest in the event of the issuer's failure. Furthermore, if investments by a Sub-fund in such bonds with one and the same issuer represent more than 5% of the net assets, the total value of these investments may not exceed 80% of the net assets of the corresponding Sub-fund.

3.24 The 10% limit set forth in Section 3.20 of the General Section can be raised to a maximum of 35% for Transferable Securities and Money Market Instruments that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations of which one or more EU Member States are members.

3.25 Transferable Securities and Money Market Instruments which fall under the special ruling given in Sections 3.23 and 3.24 of the General Section are not counted when calculating the 40% risk diversification ceiling mentioned in Section 3.20 of the General Section.

3.26 The limits provided for in Sections 3.20 to 3.24 of the General Section may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body or in deposits or derivative instruments with this body will under no circumstances exceed in total 35% of the net assets of a Sub-fund.

3.27 Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in Sections 3.20 to 3.28 of the General Section.

3.28 A Sub-fund may invest, on a cumulative basis, up to 20% of its net assets in Transferable Securities and Money Market Instruments of the same group.

Exceptions which can be made

3.29 Without prejudice to the limits laid down in Section 3.41 of the General Section, the limits laid down in Sections 3.20 to 3.28 of the General Section are raised to a maximum of 20% for investment in shares and/or bonds issued by the same body if, according to the relevant Special Section, the Investment Objective and Investment Policy of that Sub-fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

(a) its composition is sufficiently diversified;

(b) the index represents an adequate benchmark for the market to which it refers;

(c) it is published in an appropriate manner.

3.30 The above 20% limit may be raised to a maximum of 35%, but only in respect of a single body, where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant.

3.31 **The Fund is authorised, in accordance with the principle of risk diversification, to invest up to 100% of the net assets of a Sub-fund in Transferable Securities and Money Market Instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, Hong Kong or Singapore, by certain non-OECD Member States or by public international organisations in which one or more EU Member States are members. That Sub-fund must hold securities from at least six different issues, but securities from any one issue may not account for more than 30% of its net assets.**

Investment in UCITS and/or other UCIs

3.32 A Sub-fund may acquire the units of UCITS and/or other UCIs referred to in Section 3.18(e) of the General Section, provided that no more than 20% of its net assets are invested in units of a single UCITS or other UCI. If a UCITS or other UCI has multiple compartments (within the meaning of article 181 of the 2010 Act) and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the above limit.

3.33 Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of the Sub-fund.

3.34 When a Sub-fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in Sections 3.20 to 3.28 of the General Section.

3.35 When a Sub-fund invests in the units of UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, (regarded as more than 10% of the voting rights or share capital), that management company or other company may (a) neither charge subscription, conversion or redemption fees on account of the Sub-fund's investment in the units of such UCITS and/or other UCIs (b) nor any management fees exceeding 0.25% of the proportion of the Sub-fund's net assets invested in the units of such UCITS and/or other UCIs.

3.36 If a Sub-fund invests a substantial proportion of its assets in other UCITS and/or other UCIs that are not managed, directly or by delegation, by the same management company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding (regarded as more than 10% of the voting rights or share capital), the maximum level of the management fees that may be charged both to the Sub-fund itself and to the other UCITS and/or other UCIs in which it intends to invest, will be disclosed in the relevant Special Section.

3.37 In the annual report of the Fund it will be indicated for each Sub-fund the maximum proportion of management fees charged both to the Sub-fund and to the UCITS and/or other UCIs in which the Sub-fund invests.

Tolerances, UCITS and other UCIs with multiple compartments

3.38 If, because of reasons beyond the control of the Fund or the exercising of subscription rights, the limits mentioned in this Section 3 of the General Section are exceeded, the Management Company must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interests of the Unitholders.

3.39 Provided that they continue to observe the principles of risk diversification, newly established Sub-funds may deviate from the limits mentioned under Sections 3.20 to 3.35 of the General Section for a period of six months following the date of their initial launch.

3.40 If a UCITS and other UCIs is comprised of multiple compartments and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the limits set forth under Sections 3.20 to 3.28, 3.29, 3.31 and 3.32 to 3.37 of the General Section.

Investment prohibitions

3.41 The Fund is prohibited from:

(a) acquiring equities with voting rights that would enable the Fund to exert a significant influence on the management of the issuer in question;

(b) acquiring more than:

(i) 10% of the non-voting equities of one and the same issuer;

(ii) 10% of the debt securities issued by one and the same issuer;

(iii) 10% of the Money Market Instruments issued by one and the same issuer; or

(iv) 25% of the units of one and the same UCITS and/or other UCI.

The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

Transferable Securities and Money Market Instruments which, in accordance with article 48, paragraph 3 of the 2010 Act are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, Hong Kong or Singapore or which are issued by public international organisations of which one or more EU Member States are members are exempted from the above limits.

(c) selling Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under sub-paragraphs (e), (g) and (h) of Section 3.18 of the General Section short;

(d) acquiring precious metals or related certificates;

(e) investing in real estate and purchasing or selling commodities or commodities contracts;

(f) borrowing on behalf of a particular Sub-fund, unless:

(i) the borrowing is in the form of a back-to-back loan for the purchase of foreign currency;

(ii) the loan is only temporary and does not exceed 10% of the net assets of the Sub-fund in question;

(g) granting credits or acting as guarantor for third parties. This limitation does not refer to the purchase of Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under sub-paragraphs (e), (g) and (h) of Section 3.18 of the General Section that are not fully paid up.

Investments between Sub-funds

3.42 A Sub-fund (the **Investing Sub-fund**) may invest in one or more other Sub-funds. Any acquisition of Units of another Sub-fund (the **Target Sub-fund**) by the Investing Sub-fund is subject to the following conditions:

(a) the Target Sub-fund may not invest in the Investing Sub-fund;

(b) the Target Sub-fund may not invest more than 10% of its net assets in UCITS (including other Sub-funds) or other UCIs referred to in Section 3.18(e) of the General Section;

(c) the voting rights attached to the Units of the Target Sub-fund are suspended during the investment by the Investing Sub-fund; and

(d) the value of the Unit of the Target Sub-fund held by the Investing Sub-fund are not taken into account for the purpose of assessing the compliance with the EUR 1,250,000 minimum capital requirement.

Sustainable investment policy[1]

3.43 Within BNP PARIBAS ASSET MANAGEMENT, the approach to sustainability consists in particular of the implementation of Responsible business conduct standards and stewardship activities (as defined below) into the investment processes, and, when applicable, of other policies as described below.

ESG stands for Environmental, Social and Governance; these are criteria commonly used to assess the level of sustainability of an investment.

BNP PARIBAS ASSET MANAGEMENT is committed to having a sustainability approach for its investments. Nonetheless, the extent and manner in which sustainability matters and risks are integrated through this sustainability approach varies according to the type of sub-fund, asset class, region and instrument used. Consequently, the implementation of the sustainable investment approach is applied individually across all portfolios.

Minimum sustainable investment approach

3.44 A minimum sustainability approach is incorporated in the investment process of the Financing Assets of each Sub-fund and includes the following elements:

§ *Responsible business conduct standards*: As defined in the BNP PARIBAS ASSET MANAGEMENT's Responsible Business Conduct policy ("RBC"). They include respecting: 1) norm-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP PARIBAS ASSET MANAGEMENT sector policies.

1) Norm-based screens: The United Nations Global Compact (www.unglobalcompact.org) defines 10 principles for businesses to uphold in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Similarly, the OECD Guidelines for Multinational Enterprises sets out principles for the responsible business conduct of businesses. These two shared frameworks are recognized worldwide and applicable to all industry sectors. Companies that violate one or more of the principles are excluded from the Sub-funds' investments, and those at risk of breaching them are closely monitored, and may also be excluded.

2) BNP PARIBAS ASSET MANAGEMENT has also defined a series of guidelines relating to investments in sensitive sectors, listed in the RBC. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the Sub-funds' investments. The sectors concerned include, but are not limited to, palm oil, wood pulp, mining activities, nuclear, coal-fired power generation, tobacco, controversial weapons, unconventional oil and gas and asbestos.

As part of its financial security program, BNP Paribas has also established standards in anti-money laundering, compliance with economic or trade sanctions, anti-corruption and counter-terrorist financing, which govern and limit exposure to some territories.

Compliance publications of the BNPP Group are available at the following webpage: https://group.bnpparibas/en/publications

§ *Stewardship*: It is designed to enhance the long-term value of shareholdings and the management of long-term risk for clients, as part of BNP PARIBAS ASSET MANAGEMENT's commitment to act as an efficient and diligent steward of assets. Stewardship activities include the following categories of engagement:

[1] In the meaning of global sustainability approach

- Company Engagement: the aim is to foster, through dialogue with companies, corporate governance best practices, social responsibility and environmental stewardship. A key component of company engagement is voting at annual general meetings. BNP PARIBAS ASSET MANAGEMENT publishes detailed proxy-voting guidelines on a range of ESG issues.
- Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT aims to embed sustainability considerations more fully into the markets in which it invests and in the rules that guide and govern company behavior as per its Public Policy Stewardship Strategy.

Specific sustainability guidelines or restrictions

3.45 In addition to the above-mentioned minimum sustainability approach, some Sub-funds may also have more specific sustainability guidelines or restrictions as specified below and in the relevant Special Sections:

§ *ESG Integration*: consists of integrating ESG Scores as defined below into the investment process of a Sub-fund and of modifying or tilting the fundamental assessment of a company or country and/or the portfolio allocation model.

ESG Score is a rating defined either via an internal proprietary framework and/or by external providers which involves the evaluation of the below three extra financial criteria:
- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as board of directors independence, managers' remuneration, respect of minority shareholders rights.

BNP PARIBAS ASSET MANAGEMENT's proprietary ESG scoring framework assesses ESG characteristics of an issuer. Specifically, it produces:

· A company-level score based on a firm's performance on material ESG issues relative to peers.
· A global ESG score that aggregates the average ESG scores of the companies in a portfolio.

A four-step process is used in order to score an issuer:

1- ESG metric selection and weighting based on three criteria:

· Materiality of ESG issues that are material to the business of an issuer.
· Measurability and insight.
· Data quality and availability based on data of reasonable quality and that are readily available

2- ESG assessment vs. peers

This assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable between sectors and regions. For instance, health & safety is less important for an insurance company than a mining company.
Each issuer starts with a baseline 'neutral' score of 50. Each score is then summed for each of the three ESG pillars – Environmental, Social and Governance. An issuer receives a positive

score for a pillar if it performs better than the average of its peer group. If it performs below than the average, it receives a negative score.
However, two universal issues that impact all companies are not scored relative to peers, introducing a deliberate 'tilt' for the most exposed sectors. These are:

- Carbon emissions –An absolute carbon emission measure, creating a positive bias towards issuers and sectors with lower carbon emissions, has been implemented.
- Controversies – Sectors that are more prone to ESG controversies have slightly lower scores, reflecting increased risk ('headline', reputational or financial risk).

The overall result is an intermediate quantitative ESG score that ranges from zero to 99, with the ability to see how each ESG pillar has added to or detracted from the issuer's final score.

3- Qualitative review

In addition to proprietary quantitative analysis, the methodology takes into account a qualitative review of issuers with information gathered from third-party sources, internal in-depth research on material issues (e.g. climate change) and knowledge and interaction with issuers.

4- Final ESG score

Combining both qualitative and quantitative inputs, an ESG score is reached ranging from zero to 99, with issuers ranked in deciles against peers. Issuers that are excluded from investment through the RBC policy are assigned a score of 0.

§ *ESG Score Exclusion*: exclusions based upon minimum ESG Score requirements.

§ *Specific ESG Exclusion criteria*: exclusions based upon for instance, but not limited to, gender equality in company boards, controversial behaviors, controversial countries, poor energy strategy.

§ *Minimum ESG and Carbon Objectives*: consists of aiming at a lower Carbon footprint and a better overall ESG Score compared to a reference universe or index

§ *SDG Investing*: consists of selecting securities according to their contribution to the Sustainable Development Goals (SDG) adopted on 25 September 2015 by the United Nations General Assembly and especially designed to end poverty, protect the planet and reduce inequality.

§ *Thematic Investing*: consists of being exposed to companies that provide products and services providing concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital to the transition towards a low-carbon, inclusive economy.

SFDR Sustainable Investments

3.46 In addition to the above, some sub-funds may have either a sustainable investment objective, in the meaning of Article 9 of SFDR, or intend to partially make Sustainable Investments, as disclosed in Appendix 2.

The objectives of sustainable investments are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

BNP PARIBAS ASSET MANAGEMENT's internal methodology uses a binary approach of Sustainable Investment to qualify a company. This does not mean that all the economic activities of the entity considered have a positive contribution to an environmental or social objective, but it means that the considered entity has a quantitatively measured positive contribution to an environmental or social objective while not harming any other objective. These measures are either the thresholds indicated in the below listed criteria. As such, as long as a company meet the threshold of at least one of these criteria and does not harm any other objective, the whole entity is qualified as a "sustainable investment".

BNP PARIBAS ASSET MANAGEMENT's internal methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. nues aligned with the SDGs and less than 20% of its revenues misaligned with the SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

(i) Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss.

(ii) Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development;

3. A company operating in high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assess them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation "POSITIVE" or "NEUTRAL" from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm "DNSH" principle) and should follow good governance practices. BNP PARIBAS ASSET MANAGEMENT uses its proprietary methodology to assess all companies against these requirements.
More information on the internal methodology can be found on the following website: [Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com)].

The proportion of Sustainable Investment may also be determined by the Management Company by relying on disclosures made by third parties, and in particular the administrator of a given Strategy Index if any. In such cases, additional and relevant methodological disclosures will be made in the pre-contractual documents as set out in Annex 3.

Taxonomy-aligned Investments

3.47 The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities in respect of the six EU's climate and environmental objectives defined by this regulation.

Thus, for the purpose of determining the environmental sustainability of a given economic activity, six environmental objectives are defined and covered by the Taxonomy Regulation: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.
To be qualified as Taxonomy-aligned, an economic activity has to meet the following four conditions:

- Being mapped as an eligible economic activity within the Technical Screening Criteria (TSC);
- Making a substantial contribution to at least one of the above mentioned environmental objective;
- Doing no significant harm (DNSH) to any other environmental objective;

- Complying with minimum social safeguards through the implementation of procedures to meets minimum social requirements embedded in the OECD Guidelines on Multinational Enterprises (MNEs), the UN Global Compact (UNGC) and the ten UN Guiding Principles on Business and Human Rights (UNGP), with specific reference to International Bill of Human Rights and the ILO Core Labour Conventions and Fundamental Principles and Rights at Work.

In order to determine the percentage of assets of each sub-fund made in Taxonomy-aligned investments, as disclosed in Appendix 2, the Management Company may rely on third party data providers.

Nonetheless, taxonomy alignment data is not yet widely communicated or published and the activities of certain issuers require additional fundamental analysis in order to be accounted for and are therefore not taken into account by the taxonomy data that we use.

The Management Company is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus updates will be made accordingly.

More information on the internal methodology can be found on the following website: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

3.48 According to SFDR, sub-funds may be classified as follows:

§ Sub-funds promoting environmental or social characteristics (referred to as "**Article 8**"): These Sub-funds promote among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

§ Sub-funds having a sustainable investment as their objectives (referred to as "**Article 9**"): Sustainable investment is defined as an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

§ Sub-funds not categorized under Article 8 or Article 9.

3.49 The table below lists the Sub-funds that apply to the Underlying Assets specific sustainability guidelines or restrictions and which of them are taken into account in their management, while indicating their classification as per SFDR:

Name of the Sub-fund	SFDR Category	Responsible business conduct standards*	ESG Score Exclusion	Specific ESG Exclusion criteria	ESG Integration	Minimum ESG and Carbon Objectives	SDG Investing	Thematic Investing
Equity Global SDG Champions Protection 90%	Article 8	✓	✓				✓	
World Climate Navigator 90% Protected	Article 8	✓	✓					✓

* As defined in 3.44 and also applicable to the Underlying Assets

Sub-funds not listed in the above table are neither categorized Article 8 nor Article 9.

Type of allocation strategies

3.48 In the framework of the aforementioned sustainability approach, a Sub-fund Special Section may refer as well to, or be implemented through, the following allocation strategies:

- **Best-in-class**: Type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle within their sector of activity, without favouring nor excluding a given sector compared to a reference universe or index.
- **Best-in-universe**: Type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle regardless of their sector of activity, while assuming sectorial biases since sectors which are generally considered more virtuous will be more represented.
- **Best-effort**: Type of ESG selection consisting of giving priority to companies showing an improvement or good prospects in their ESG practices and performance over time.
- **Selectivity**: minimum 20% reduction of the investment universe.
- **Extra-financial indicator improvement**: The average of an extra-financial indicator calculated at the level of the portfolio must be greater than that of the investable universe calculated after elimination of at least 20% of the worst values on this indicator.

Methodological limitations

3.49 Applying an extra-financial strategy may comprise methodological limitations such as the Risk related to the ESG and the Risk related to a systematic allocation incorporating extra-financial criteria as defined in the Section 21 of the General Section. In particular, it should be noted that the proprietary methodologies used to take into account ESG non-financial criteria may be subject reviews in the event of regulatory developments or uptades that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

3.50 For specific additional methodological limitations if applicable, investors must refer to the relevant Special Section(s).

3.51 More information and documents on BNP Paribas Asset Management approach to sustainability may be found on the website at the following address: https://www.bnpparibas-am.com/en/sustainability/

Transparency of adverse sustainability impacts

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

The sub-funds consider principal adverse impacts on sustainability factors (PAI) by systematically implementing the sustainability pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

For the Sub-funds neither categorized Article 8 nor Article 9, the consideration of PAI is made for the Financing Assets. For the Sub-funds categorized as Article 8 or Article 9, the consideration of PAI is the one of the Underlying Assets, as well as the one of Financing Assets for Sub-funds using a Synthetic Replication Policy.

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

4. USE OF FINANCIAL DERIVATIVE INSTRUMENTS AND EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

OTC Derivatives and EPM Techniques

4.1 The Fund must employ (i) a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio and (ii) a process for accurate and independent assessment of the value of OTC Derivatives.

4.2 Each Sub-fund will ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

4.3 The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This will also apply to the following subparagraphs.

4.4 A Sub-fund may invest, as a part of its Investment Policy, in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Sections 3.20 to 3.28 of the General Section. Under no circumstances will these operations cause a Sub-fund to diverge from its Investment Objective as laid down in the Prospectus and the relevant Special Section. When a Sub-fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in Sections 3.20 to 3.28 of the General Section.

4.5 When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this Section.

4.6 The Fund's annual reports will contain, in respect of each Sub-fund that has entered into financial derivative instruments over the relevant reporting period, details of:

(a) the underlying exposure obtained through financial derivative instruments;

(b) the identity of the counterparty(ies) to these financial derivative instruments;

(c) the type and amount of collateral received to reduce counterparty risk exposure.

4.7 The Sub-funds are authorised to employ efficient portfolio management techniques (**EPM Techniques**) subject to the following conditions:

(a) they are economically appropriate in that they are realised in a cost-effective way;

(b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost;

(iii) generation of additional capital or income for the relevant Sub-fund with a level of risk which is consistent with the its risk profile and applicable risk diversification rules;

(c) they are taken into account by the Management Company when developing its liquidity risk management process in order to ensure that the Fund is able to comply at any time with its redemption obligations.

4.8 The Fund and any of its Sub-funds may in particular enter into OTC Derivatives, including, for the avoidance of doubt, TRS. TRS involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. As such, the use of TRS or other derivatives with similar characteristics allows gaining synthetic exposure to certain markets or underlying assets without investing directly (and/or fully) in these underlying assets.

4.9 Any use of TRS for investment purposes will be in line with the risk profile and risk diversification rules applicable to any Sub-funds. Investors should refer to the risk factors in Section 21 of the General Section for special risk considerations applicable to the use of TRS.

4.10 The EPM Techniques that may be employed by the Sub-funds in accordance with Section 4.7 above will not include SFT and are subject to the conditions below.

4.11 EPM Techniques will not:

(a) result in a change of the Investment Objective of the concerned Sub-fund; or

(b) add substantial supplementary risks in comparison to the original risk policy of the Sub-fund.

4.12 The Management Company takes into account these EPM Techniques when developing its liquidity risk management process in order to ensure that the Fund is able to comply at any time with its redemption obligations.

4.13 The maximum and expected proportion of assets that may be subject to TRS will, unless otherwise set out for each Sub-fund in the relevant Special Section, be as follows:

TRS	
Expected	Maximum
200%	220%

The expected proportion mentioned in the above table is defined as the sum of the absolute values of TRS notionals (with neither netting nor hedging arrangement) divided by the NAV. It is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

4.14 The types of assets that are subject to TRS will be either the Financing Assets or the Underlying Assets as set out for each Sub-fund in the relevant Special Section.

4.15 Except as otherwise set out in the relevant Special Section, all revenues resulting from the EPM Techniques will be returned in full to the Fund after deduction of the direct and indirect operational costs/fees of the Depositary and the Investment Manager and disclosed in the annual reports of the Fund. The revenues (if any) linked to the TRS will be fully allocated to the relevant Sub-fund and will be included in the valuation of the TRS. There will neither be any costs nor fees specific to TRS charged to any Sub-fund that would constitute revenue for the Management Company. The fees of any agent involved in EPM Techniques or TRS may not exceed 20% of the total income generated by these EPM Techniques or TRS. The remaining income will accrue to the relevant Sub-fund. Counterparties to the OTC Derivatives (including TRS) may be affiliated with the Fund or the Management Company.

4.16 The counterparties to TRS will be selected and approved through a robust selection process in accordance with the Management Company's best selection policy and will be established in OECD Member States. Approved counterparties to TRS are required to have a minimum rating of investment grade for OTC Derivative counterparties provided however that credit quality assessment of counterparties does not rely only on external credit ratings. Alternative quality parameters will be taken into account. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, the Management Company's risk management team will assess the creditworthiness of the proposed counterparties, their expertise in the relevant transactions, the costs of service and others factors related to best execution in line with the Management Company's execution policy. The following criteria will be used to select the counterparties: leading financial institutions, sound financial situation, ability to offer a range of products and services corresponding to the requirements of the Management Company, ability to offer reactivity for operational and legal points, ability to offer competitive price and quality of the execution.

4.17 Assets of any relevant Sub-fund subject to TRS will be safe-kept by the Depositary as set out under Section 4.31 below.

4.18 The following information will be disclosed in the annual report of the Fund:

(a) the exposure of each Sub-fund obtained through EPM Techniques;

(b) the identity of the counterparty(ies) to these EPM Techniques;

(c) the type and amount of collateral received by the Sub-funds to reduce counterparty exposure;

(d) the revenues arising from EPM Techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred;

(e) where collateral received from an issuer has exceeded 20% of the NAV of a Sub-fund, the identity of that issuer; and

(f) whether a Sub-fund has been fully collateralised in securities issued or guaranteed by an OECD Member State.

4.19 The Fund's semi-annual and annual reports will further contain additional information on the use of SFT and TRS in line with Section A of the Annex of the SFTR.

4.20 The counterparty risk arising from OTC Derivatives and EPM Techniques may not exceed 10% of the assets of a Sub-fund when the counterparty is a credit institution domiciled in the European Union or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing in the European Union. This limit is set at 5% in any other case.

4.21 The counterparty risk of a Sub-fund vis-à-vis a counterparty is equal to the positive mark-to-market value of all OTC Derivatives and EPM Techniques transactions with that counterparty, provided that:

(a) if there are legally enforceable netting arrangements in place, the risk exposure arising from OTC Derivatives and EPM Techniques transactions with the same counterparty may be netted; and

(b) if collateral is posted in favour of a Sub-fund and such collateral complies at all times with the criteria set out in 4.24 et seq. below, the counterparty risk of such Sub-fund is reduced by the amount of such collateral.

4.22 Unless otherwise set out in a Special Section, none of the counterparties in OTC Derivative transactions will have discretion over the composition or management of the relevant Sub-fund's investment portfolio or over the assets underlying the relevant OTC Derivative.

4.23 The risks linked to the use of TRS as well as risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse are further described hereunder in Section 21.

Collateral policy for OTC Derivatives transactions and EPM Techniques

4.24 All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

(a) Liquidity – any collateral received other than cash will be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of Section 3.41(b) of the General Section.

(b) Valuation – collateral received will be valued on at least a daily basis, according to the mark to market, and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.

(c) Issuer credit quality – collateral received should be of high quality.

(d) Correlation – the collateral received by the Sub-fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

(e) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-fund receives from a counterparty of OTC Derivative or EPM Techniques transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a Sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a Sub-fund may be fully collateralised in different Transferable Securities and Money Market Instruments issued or guaranteed by an OECD Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong, provided the Sub-fund receives securities from at least six different issues and any single issue does not account for more than 30% of the Sub-fund's NAV. Accordingly a Sub-fund may be fully collateralised in securities issued or guaranteed by an eligible OECD Member State. If a Sub-fund intends to make use of this possibility, this will be set out in relevant the Special Section.

(f) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

(g) Collateral received should be capable of being fully enforced by the Fund for the account of the Sub-fund at any time without reference to or approval from the counterparty.

4.25 The Sub-funds will only accept the following assets as collateral:

(a) Liquid assets. Liquid assets include not only cash and short term bank certificates, but also Money Market Instruments such as defined within the UCITS Directive. A letter of credit or a guarantee at first-demand given by a First Class Institution not affiliated to the counterparty are considered as equivalent to liquid assets.

(b) Bonds issued or guaranteed by an OECD Member State or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope.

(c) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent.

(d) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in items (e) and (f) below.

(e) Bonds issued or guaranteed by first class issuers offering an adequate liquidity.

(f) Shares admitted to or dealt in on a Regulated Market of an EU Member State or on a stock exchange of an OECD Member State, on the condition that these shares are included in a main index.

4.26 For the purpose of Section 4.24 above, all assets received by a Sub-fund in the context of EPM Techniques should be considered as collateral.

4.27 Non-cash collateral received by a Sub-fund may not be sold, re-invested or pledged.

4.28 Cash collateral received should only be:

(a) placed on deposit;

(b) invested in high-quality government bonds;

(c) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Sub-fund is able to recall at any time the full amount of cash on accrued basis;

(d) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European money market funds.

4.29 Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral under 4.24 above.

4.30 For all the Sub-funds receiving collateral for at least 30% of their assets, the Management Company will set up, in accordance with Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

4.31 Collateral posted in favour of a Sub-fund under a title transfer arrangement should be held by the Depositary. Such collateral may be held by one of the Depositary's correspondents or sub-custodians provided that the Depositary has delegated the custody of the collateral to such correspondent or sub-custodian. Collateral posted in favour of a Sub-fund under a security interest arrangement (e.g., a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

4.32 The Management Company will set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral. This policy, established in accordance with the CSSF Circular 14/592, takes into account a variety of factors, depending on the nature of the collateral received such as price volatility, the credit quality of the issuer of the collateral, the maturity or currency of the assets or outcome of stress tests. Taking into account these factors, the Management Company expects that the collateral used as per 4.26(a) and 4.26(c) will generally have a lower haircut than the other types of collateral; the collateral used as per 4.26(b) with longer maturity will generally have a higher haircut than the one with shorter maturity; and the collateral used as per 4.26(d), 4.26(e) or 4.26(f) will generally have a higher haircut than the other types of collateral and that it will depend on its rating. No haircut will generally be applied to cash collateral. The haircut policy will be implemented in compliance with the risk management policy of the Management Company and the following grid:

Asset Class	**Minimum Rating accepted**	**Margin required/ NAV**	**Cap by asset class/ NAV**	**Cap by Issuer/ NAV**
Cash (EUR, USD and GBP)		[100 - 102%]	100%	
Fixed Income				
Eligible OECD Government Bonds	AAA	[100 - 105%]	100%	20%
Eligible OECD Government Bonds	AA	[100 - 107%]	100%	20%
Eligible OECD Government Bonds	A	[100 - 110%]	100%	20%
Eligible Supra & Agencies	AAA	[100 - 105%]	100%	20%
Eligible Supra & Agencies	AA	[100 - 107%]	100%	20%
Other Eligible Countries Government Bonds	BBB	[100 - 115%]	100%	20%
Eligible OECD Corporate Bonds	A	[100 - 117%]	100%	10%
Eligible OECD Corporate Bonds	BBB	[100 - 140%]	[10% - 30%]	5%
Eligible OECD Convertible Bonds	A	[100 - 117%]	[10% - 30%]	5%
Eligible OECD Convertible Bonds	BBB	[100 - 140%]	[10% - 30%]	5%
Money Market Units[2]	UCITS	[100 - 110%]	100%	20%
CD's (eligible OECD and other eligible countries)	A	[100 - 107%]	[10% - 30%]	20%
Eligible indices & Single equities linked		[100% - 140%]	100%	20%

4.33 In compliance with the 2010 Act, quantitative and qualitative criteria will be applied to the collateral used to mitigate counterparty risk exposure arising from the use of EPM Techniques. Thus, the limitation of the exposure to a given issuer linked to the collateral will be equal to 20% of the Fund's net asset value and a haircut policy for each type of issuer will be implemented as determined by the Management Company.

5. DESCRIPTION OF THE UNITS

5.1 In respect of each Sub-fund, the Management Company will be able to launch the following Classes:

Class	**Distribution Policy**	**Eligible Investors**	**Minimum Holding Amount***	**Initial NAV per Class****
C	Accumulation	All investors	None	100 in the Reference Currency of the Class
C	Distribution	All investors	None	100 in the Reference Currency of the Class
J	Accumulation	Institutional Investors	10,000,000 in the Reference Currency of the relevant Sub-fund or its equivalent in the Reference Currency of the Class (as the case may be, for	100 in the Reference Currency of the Class

2 Units of money market funds managed by any Affiliate of the Management Company. AAA Money Market UCITS are accepted as collateral without one-off approval. All other UCITS are eligible only upon ad-hoc approval.

Class	Distribution Policy	Eligible Investors	Minimum Holding Amount*	Initial NAV per Class**
			entities belonging to the same financial group ***). UCI: none (except as otherwise indicated)	
J	Distribution	Institutional Investors	10,000,000 in the Reference Currency of the relevant Sub-fund or its equivalent in the Reference Currency of the Class (as the case may be, for entities belonging to the same financial group ***). UCI: none (except as otherwise indicated)	100 in the Reference Currency of the Class
M	Accumulation	Institutional Investors	50,000,000 in the Reference Currency of the relevant Sub-fund or its equivalent in the Reference Currency of the Class for entities belonging to the same financial group***.	100 in the Reference Currency of the Class
N	Accumulation	All investors	None	100 in the Reference Currency of the Class
N	Distribution	All investors	None	100 in the Reference Currency of the Class
I	Accumulation	Institutional Investors	100,000 in the Reference Currency of the relevant Sub-fund*** UCI: none (except as otherwise indicated)	100 in the Reference Currency of the Class
I	Distribution	Institutional Investors	100,000 in the Reference Currency of the relevant Sub-fund*** UCI: none (except as otherwise indicated)	100 in the Reference Currency of the Class
Privilege	Accumulation	Distributors**** Portfolio Managers, All	1,000,000 in the Reference Currency of the relevant Sub-fund Portfolio Managers and Distributors****: none (except as otherwise indicated)	100 in the Reference Currency of the Class
Privilege	Distribution	Distributors**** Portfolio Managers, All	1,000,000 in the Reference Currency of the relevant Sub-fund Portfolio Managers and Distributors****: none (except as otherwise indicated)	100 in the Reference Currency of the Class

Class	Distribution Policy	Eligible Investors	Minimum Holding Amount*	Initial NAV per Class**
L	Accumulation	All investors	1,000,000 in the Reference Currency of the relevant Sub-fund	100 in the Reference Currency of the Class
Protected C	Distribution	All investors	None	100 in the Reference Currency of the Class
Protected C	Accumulation	All investors	None	100 in the Reference Currency of the Class
Protected I	Distribution	Institutional Investors	EUR 100,000 or equivalent UCI: none	100 in the Reference Currency of the Class
Protected I	Accumulation	Institutional Investors	EUR 100,000 or equivalent UCI: none	100 in the Reference Currency of the Class
Protected J	Distribution	Institutional Investors	EUR 10,000,000 or equivalent UCI: none	100 in the Reference Currency of the Class
Protected J	Accumulation	Institutional Investors	EUR 10,000,000 or equivalent UCI: none	100 in the Reference Currency of the Class
Protected Privilege	Distribution	Distributors****, Portfolio Managers, All	EUR 1,000,000 Portfolio Managers or Distributors****: None	EUR 100

** The applicable Minimum Holding Amount may be waived or varied on a case-by-case basis, by the Management Company.*
*** except in case of contributions from other UCIs in respect of a specific Class.*
**** Regarding J and M Units, minimum subscription conditions may be assessed on the basis of the total investment, irrespective of currency. Please refer to the relevant Special Section.*
***** Distributors which provide only fee-based independent advisory services as defined by the Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments, with respect to distributors that are incorporated in the European Economic Area.*

5.2 The Management Company has the option of adding new Reference Currency to existing Classes and, with the previous approval of the CSSF, new Classes to existing Sub-funds. Such decision will not be published but the website www.bnpparibas-am.com and the next version of the Prospectus will be updated accordingly.

5.3 In respect of I, J and M Class Units reserved to Institutional Investors, a reduced subscription tax rate of 0.01% p.a. on net assets applies.

5.4 Units will be issued in registered or dematerialised form. A holder of dematerialised Units will have its Units deposited on a securities account in the name of its beneficiary. The entry into the register of Unitholders is conclusive evidence of ownership. Certificates representing Units will be issued only upon request and at the Management Company's discretion. Fractions of Units will be issued up to three decimals.

5.5 The register of the Unitholders will be kept by the Administrative Agent on behalf of the Management Company. The register will contain the name of each owner of registered Units, his/her/its residence or elected domicile as indicated to the Fund and the number and Class(es) of Units held by his/her/it and the transfer of Units and the dates of such transfers.

5.6 Unless otherwise provided for in the relevant Special Section, the Management Company will also have the right to accept subscriptions through contributions in kind of assets to a Sub-fund in lieu of cash. Any such contributions in kind must comply with the Investment Objective and the Investment Restrictions of the relevant Sub-fund and a valuation report from the Auditor or any other independent auditor, selected from time to time by the Management Company, confirming the value of the contributed assets must be provided. The costs relating to an in kind contribution will be borne by the relevant Unitholder where it is demonstrated that such costs are higher than the costs of investing the corresponding cash amount.

5.7 For each Sub-fund, the Management Company may, in respect of Units in one or several Class(es) if any, decide to close subscriptions temporarily or definitively, including those arising from the conversion of Units of another Class or another Sub-fund.

5.8 If the assets of one of the Class in any Sub-fund fall below one million EUR or its equivalent in another currencies, the Management Company reserves the right to close the category and merge it with a Class of the same category, even if this Class is a non-hedged Class of the Sub-fund.

6. SUBSCRIPTION FOR UNITS

6.1 During the Initial Subscription Period or on the Initial Subscription Date or on the Class Launch Date, the Management Company is offering the Units under the terms and conditions as set forth in the relevant Special Section. The Management Company may offer Units in one or several Sub-funds or in one or more Classes in each Sub-fund. If so provided for in a Special Section, the Management Company may extend the Initial Subscription Period and/or postpone the Launch Date subject to the terms of the relevant Special Section.

6.2 After the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date, the Fund may offer Units of each existing Class in each existing Sub-fund on any day that is a Valuation Day, as stipulated in the relevant Special Section. The Fund may decide that for a particular Class or Sub-fund no further Units will be issued after the Initial Subscription Period or Initial Subscription Date (as will be set forth in the relevant Special Section). However, the Management Company reserves the right to authorise at any time and without notice the issue and sale of Units for Classes or Sub-funds that were previously closed for further subscriptions. Such decision will be made by the Management Company with due regard to the interest of the existing Unitholders in the relevant Class or Sub-fund.

6.3 The Management Company may in its discretion decide to cancel the offering of a Sub-fund. The Management Company may also decide to cancel the offering of a new Class of Units. In such case, investors having made an application for subscription will be duly informed and any subscription monies already paid will be returned. For the avoidance of doubt, no interest will be payable on such amount prior to their return to the relevant investors.

6.4 Unitholders or prospective investors may subscribe for a Class in a Sub-fund at a subscription price per Unit equal to:

(a) the Initial Subscription Price where the subscription relates to the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date; or

(b) the Net Asset Value per Unit as of the Valuation Day on which the subscription is effected where the subscription relates to a subsequent offering (other than the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date) of Units of an existing Class in an existing Sub-fund.

6.5 A Subscription Fee may be added to the subscription price to be paid by the investor. The applicable Subscription Fee will be stipulated in the relevant Special Section. This fee will be payable to the Management Company or the Distributor, unless otherwise specified in respect of a Sub-fund in the relevant Special Section. Requests for subscription must be for either a number of Units or an amount denominated in the Reference Currency or an Authorised Payment Currency of the relevant Class of the Sub-fund.

6.6 The Units may be locally offered for subscription via regular savings plans, redemption and conversion programs which may be subject to additional local charges. In the event that a regular savings plan is terminated prior to an agreed final date, the sum of entry costs payable by the Unitholders concerned may be greater than would have been the case for standard subscriptions.

Subscription procedure

6.7 After the end of the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date, subscriptions may be made only by investors who are not Restricted Persons by:

(a) submitting a written subscription request by mail to the Administrative Agent or Distributor(s) to be received by the Administrative Agent or a Distributor before such time and date as set out in respect of each Sub-fund in that Sub-fund's Special Section (the **Subscription Cut-Off Time**). Any applications received after the relevant Subscription Cut-Off Time in respect of a Valuation Day will be deferred to the next Valuation Day and will be dealt with on the basis of the Net Asset Value per Unit calculated on the NAV Calculation Day immediately following such next Valuation Day;

(b) delivering to the account of the Depositary funds for the full amount of the subscription price (plus any Subscription Fee) of the Units being subscribed for pursuant to the subscription request, within three (3) Business Days following the relevant Valuation Day (unless otherwise specified in respect of a Sub-fund in the relevant Special Section).

6.8 If the Depositary does not receive the funds in time the investor will be liable for the costs of late or non-payment in which the case the Management Company will have the power to redeem all or part of the investor's holding of Units in the Fund in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Units, any losses incurred by the Fund due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the Fund.

6.9 Subscribers for Units must make payment in the Reference Currency or an Authorised Payment Currency of the relevant Sub-fund or Class. Subscription monies received in another currency than the Reference Currency (i.e., an Authorised Payment Currency) will be exchanged by the Depositary on behalf of the investor at normal banking rates. Any such currency transaction will be effected by the Depositary at the investor's risk and cost. Such currency exchange transactions may delay any transaction in Units.

6.10 Subscribers for Units are to indicate the allocation of the subscription monies among one or more of the Sub-funds and/or Classes offered by the Fund. Subscription requests are irrevocable, unless in the period during which the calculation of the Net Asset Value is suspended in accordance with Section 13 of the General Section.

6.11 In the event that the subscription order is incomplete (i.e., all requested papers are not received by the Administrative Agent or a Distributor by the relevant deadline set out above) the subscription order will be rejected and a new subscription order will have to be submitted.

6.12 The applicable Minimum Subscription Amount and Minimum Subsequent Subscription Amount may be waived or varied on a case-by-case basis, by the Management Company.

6.13 In the event that the Management Company or the Administrative Agent decides to reject any application to subscribe for Units the monies transferred by a relevant applicant will be returned to the prospective investor without undue delay (unless otherwise provided for by law or regulations).

6.14 The number of Units issued to a subscriber or Unitholder in connection with the foregoing procedures will be equal to the subscription monies provided by the subscriber or Unitholder divided by:

(a) the Initial Subscription Price, in relation to subscriptions made in connection with an Initial Subscription Period, the Initial Subscription Date or the Class Launch Date; or

(b) the Net Asset Value per Unit of the relevant Class and in the relevant Sub-fund as of the relevant Valuation Day.

6.15 With regard to the Initial Subscription Period or Initial Subscription Date, Units will be issued on the Launch Date. With regards to the Class Launch Date, Units will be issued on the Class Launch Date.

6.16 The Management Company will recognise rights to fractions of Units up to three (3) decimal places, rounded up or down to the nearest decimal point. Any purchases of Units will be subject to the ownership restrictions set forth below.

Ownership Restrictions

6.17 A person who is a Restricted Person may not invest in the Fund. The Units have not been registered under the US Securities Act and the Fund has not been registered under the Investment Company Act. The Units may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions or to US Persons (as defined herein) except to certain qualified US institutions in reliance on certain exemptions from the registration requirements of the US Securities Act and with the consent of the Fund. Neither the Units nor any interest therein may be beneficially owned by any other US Person. The sale and transfer of Units to US Persons is restricted and the Fund may repurchase Units held by a US Person or refuse to register any transfer to a US Person as it deems appropriate to assure compliance with the US Securities Act.

Institutional Investors

6.18 The sale of Units of certain Sub-funds or Classes may be restricted to Institutional Investors and the Fund will not issue or give effect to any transfer of Units of such Sub-funds or Classes to any investor who may not be considered as an Institutional Investor. The Fund may, at its discretion, delay the acceptance of any subscription for units of a Sub-fund or Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Units of a Sub-fund or Class restricted to Institutional Investors is not an Institutional Investor, the Management Company will, at its discretion, either compulsory redeem the relevant units or convert such Units into Units of a Sub-fund or Class which is not restricted to Institutional Investors (provided there exists such a Sub-fund or Class with similar characteristics) and which is essentially identical to the restricted Sub-fund or Class in terms of its investment object (but, for avoidance of doubt, not necessarily in terms of the fees and expenses payable by such Sub-fund or Class), unless such holding is the result of an error of the Management Company or its agents, and notify the relevant Unitholders of such conversion.

6.19 Considering the qualification of a subscriber or a transferee as Institutional Investor, the Management Company will have due regard to the guidelines or recommendations (if any) of the competent supervisory authorities.

6.20 Institutional Investors subscribing in their own name, but on behalf of a third party, may be required to certify that such subscription is made either on behalf of an Institutional Investor or on behalf of a Retail Investor provided in the latter case that the Institutional Investor is acting within the framework of a discretionary management mandate and that the Retail Investor has no right to lay a claim against the Fund for direct ownership of the Units.

7. CONVERSION OF UNITS

7.1 Unless otherwise stated in the relevant Special Section, Unitholders are allowed to convert all, or part, of the Units of a given Class into Units of the same Class of another Sub-fund. However, the right to convert Units is subject to compliance with any condition (including any Minimum Subscription Amounts and eligibility requirements) applicable to the Class into which conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Unitholder's holding in the new Class would be less than the applicable Minimum Subscription Amount, the Management Company may decide not to accept the request for conversion of the Units. In addition, if, as a result of a conversion, the value of a Unitholder's holding in the original Class would become less than the relevant Minimum Holding Amount as stipulated in the relevant Special Section, the Unitholder may be deemed (if the Management Company so decides) to have requested the conversion of all of his Units. Unitholders are not allowed to convert all, or part, of their Units into Units of a Sub-fund which is closed for further subscriptions after the Initial Subscription Period or Initial Subscription Date (as will be set forth in the relevant Special Section).

7.2 If the criteria to become a Unitholder of such other Class and/or such other Sub-fund are fulfilled, the Unitholder will make an application to convert Units by sending a written request by swift or fax for conversion to the Distributor or the Administrative Agent. Units may be converted at the request of the Unitholders on any day that is a Valuation Day. The conversion request must be received by the Administrative Agent at the time specified in the relevant Special Section on the relevant Valuation Day. Conversion requests received after this deadline will be deemed received at the next forthcoming Valuation Day and will processed on the basis of the Net Asset Value per Unit as of the first Valuation Day after the relevant transaction. The conversion request must state the number of Units of the relevant Classes in the relevant Sub-fund, which the Unitholder wishes to convert.

7.3 A Conversion Fee of up to such maximum percentage as is set out in each relevant Special Section of the Net Asset Value of the Units of the relevant Class of the relevant new Sub-fund to be issued may be levied to cover conversion costs. This fee will be payable to the Management Company or to the Distributor depending on the distribution agreements in place, unless otherwise specified in respect of a Sub-fund in the relevant Special Section. The same rate of Conversion Fee will be applied to all conversion requests (deemed) received on the same Valuation Day.

7.4 Conversion of Units will be effected on the first NAV Calculation Day after the relevant Valuation Day, by the simultaneous:

(a) redemption of the number of Units of the relevant Class in the relevant Sub-fund specified in the conversion request at the Net Asset Value per Unit of the relevant Class in the relevant Sub-fund; and

(b) issue of Units on that Valuation Day in the new Sub-fund or Class, into which the original Units are to be converted, at the Net Asset Value per Unit for Units of the relevant Class in the (new) Sub-fund.

7.5 Subject to any currency conversion (if applicable) the proceeds resulting from the redemption of the original Units will be applied immediately as the subscription monies for the Units in the new Class or Sub-fund into which the original Units are converted.

7.6 Where Units denominated in one currency are converted into Units denominated in another currency, the number of such Units to be issued will be calculated by converting the proceeds resulting from the redemption of the Units into the currency in which the Units to be issued are denominated. The exchange rate for such currency conversion will be calculated by the Depositary in accordance with the rules laid down in Section 12 of the General Section.

7.7 In the event that the total net conversion requests received for a given Sub-fund on a Valuation Day equals or exceeds 10%) of the net assets of the Sub-fund (and except as otherwise disclosed in any relevant Special Section, the Board may decide to execute partially the conversion requests on a pro-rata basis so as to reduce the number of Units redeemed at this date to 10% (except as otherwise disclosed in any relevant Special Section) of the net assets of the Sub-fund concerned. Any remaining conversion requests shall be deferred and execute in priority in relation to conversion requests received on the next Valuation Day, again subject to the limit of 10% of net assets or any other percentage disclosed in any relevant Special Section.

7.8 If conversion requests would result in a residual holding in any one Sub-fund or Class of less than the Minimum Net Asset Value applicable, the Fund reserves the right to compulsory redeem the residual Units in that Sub-fund or Class at the relevant redemption price and make payment of the proceeds thereof to the Unitholders.

8. REDEMPTION OF UNITS

Timing, form of redemption request

8.1 Units in a Sub-fund may be redeemed at the request of the Unitholders on any day that is a Valuation Day. Redemption requests must be sent in writing by swift or fax to the Distributor(s) or the Administrative Agent or such other place as the Management Company may advise. Redemption requests must be received by the Distributor or the Administrative Agent before such time and date as set out in respect of each Sub-fund in the relevant Special Section (the **Redemption Cut-Off Time**). Redemption requests received after the Redemption Cut-Off Time in respect of a Valuation Day will be deemed received at the next forthcoming Valuation Day and will be processed on the basis of the Net Asset Value per Unit as of the first NAV Calculation Day after the relevant Valuation Day.

8.2 The Management Company, the Administrative Agent and the Distributor(s) will ensure that the relevant redemption deadline for requests for Redemption Cut-Off Time of each Sub-fund are strictly complied with and will therefore take all adequate measures to prevent practices known as "Late Trading".

8.3 Requests for redemption must be for either a number of Units or an amount denominated in the Reference Currency or an Authorised Payment Currency of the Class of the Sub-fund. Redemption requests must be addressed to the Administrative Agent or the Distributor. Redemption requests will not be accepted by telephone or telex. Redemption requests are irrevocable (except during any period where the determination of the Net Asset Value, the issue, redemption and conversion of Units is suspended) and proceeds of the redemption will be remitted to the account indicated by the Unitholder in its subscription request. The Fund reserves the right not to redeem any Units if it has not been provided with evidence satisfactory to the Fund, the Administrative Agent or the Distributor that the redemption request was made by a Unitholder of the Fund. Failure to provide appropriate documentation may result in the withholding of redemption proceeds.

Redemption Price

8.4 A Unitholder who redeems his Units will receive an amount per Unit redeemed equal to the Net Asset Value per Unit as of the applicable Valuation Day for the relevant Class in the relevant Sub-fund, less, as the case may be, a Redemption Fee as stipulated in the relevant Special Section and any tax or duty imposed on the redemption of the Units.

Redemption Fee

8.5 If a Unitholder wants to redeem Units, a Redemption Fee may be levied on the amount to be paid to the Unitholder. The applicable Redemption Fee will be stipulated in the relevant Special Section. This fee will be payable to the Fund, unless otherwise specified in respect of a Sub-fund in the relevant Special Section. For the avoidance of doubt, the Redemption Fee is calculated on the redemption price of the Units.

Payment of the redemption price

8.6 Payment of the redemption proceeds will be made generally within three (3) Business Days following the relevant Valuation Day (unless otherwise specified in respect of a Sub-fund in the relevant Special Section). Where a Unitholder redeems Units that he/she/it has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he/she/it owes, the Fund will be entitled to retain such excess for the benefit of the Fund.

Minimum Holding Amount – Minimum Net Asset Value

8.7 If as a result of a redemption, the value of a Unitholder's holding would become less than the relevant Minimum Holding Amount as stipulated in the relevant Special Section, the Unitholder may be deemed (if the Management Company so decides) to have requested the redemption of all his Units.

8.8 If redemption requests would result in a residual holding in any one Sub-fund or Class of less than the Minimum Net Asset Value applicable, the Fund reserves the right to compulsory redeem the residual Units in that Sub-fund or Class at the relevant redemption price and make payment of the proceeds thereof to the Unitholder.

Suspension of redemption

8.9 Redemption of Units may be suspended for certain periods of time as described under Section 13 of the General Section.

Deferred redemption

8.10 In the event that the total net redemption requests received for a given Sub-fund on a Valuation Day equals or exceeds 10% (except as otherwise disclosed in any relevant Special Section) of the net assets of the Sub-fund, the Board may decide to execute partially the redemption requests on a pro-rata basis so as to reduce the number of Units redeemed at this date to 10% (except as otherwise disclosed in any relevant Special Section) of the net assets of the Sub-fund concerned. Any remaining redemption requests shall be deferred and executed in priority in relation to redemption requests received on the next Valuation Day, again subject to the limit of 10% of net assets or any other percentage disclosed in any relevant Special Section.

Compulsory redemptions by the Fund

8.11 The Fund may redeem Units of any Unitholder if the Management Company, whether on its own initiative or at the initiative of a Distributor, determines that:

(a) any of the representations given by the Unitholder to the Fund or the Management Company were not true and accurate or have ceased to be true and accurate; or

(b) the Unitholder is a Restricted Person; or

(c) that the continuing ownership of Units by the Unitholder would cause an undue risk of adverse tax consequences to the Fund or any of its Unitholders; or

(d) the continuing ownership of Units by such Unitholder may be prejudicial to the Fund or any of its Unitholders; or

(e) further to the satisfaction of a redemption request received from a Unitholder, the number or aggregate amount of Units of the relevant Class held by this Unitholder is less than the Minimum Holding Amount. If the valuation of the number or aggregate amount of Units held by a Unitholder should become lower than 25 Euros or its equivalent in the Reference Currency of the relevant Class, this outstanding amount will not be paid and will be deemed definitely acquired to the Sub-fund.

9. RESTRICTIONS ON TRANSFER

9.1 All transfers of Units will be effected by a transfer in writing in any usual or common form or any other form approved by the Management Company and every form of transfer will state the full name and address of the transferor and the transferee. The instrument of transfer of a Unit will be signed by or on behalf of the transferor. The transferor will be deemed to remain the holder of the Unit until the name of the transferee is entered on the Unit register in respect thereof. The Management Company or the Administrative Agent may decline to register any transfer of Unit if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Class or Sub-fund as set out in this Prospectus or the relevant Special Section. The registration of transfer may be suspended at such times and for such periods as the Management Company may from time to time determine, provided, however, that such registration will not be suspended for more than five (5) days in any calendar year. The Management Company or the Administrative Agent may decline to register any transfer of Units unless the original instruments of transfer, and such other documents that the Management Company may require are deposited at the registered office of the Management Company or at such other place as the Fund may reasonably require, together with such other evidence as the Management Company may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration as to whether the proposed transferee (i) is a US Person or acting for or on behalf of a US Person, (ii) is a Restricted Person or acting for or on behalf of a Restricted Person, or (iii) does qualify as Institutional Investor.

9.2 The Fund may decline to register a transfer of Units:

(a) if in the opinion of the Fund, the transfer will be unlawful or will result or be likely to result in any adverse regulatory, tax or fiscal consequences to the Fund or its Unitholders; or

(b) if the transferee is a US Person or is acting for or on behalf of a US Person; or

(c) if the transferee is a Restricted Person or is acting for or on behalf of a Restricted Person; or

(d) in relation to Classes reserved for subscription by Institutional Investors, if the transferee is not an Institutional Investor; or

(e) in circumstances as set out in Section 11.2 of the General Section; or

(f) if in the opinion of the Fund, the transfer of the Units would lead to the Units being registered in a depositary or clearing system in which the Units could be further transferred otherwise than in accordance with the terms of this Prospectus or the Management Regulations.

10. ANTI-MONEY LAUNDERING AND TERRORIST FINANCING REQUIREMENTS

10.1 Measures aimed towards the prevention of money laundering as provided by Luxembourg Law and the circulars and regulations as issued by the CSSF are the responsibility of the Management

Company, that delegates to the Administrative Agent (acting in capacity as registrar and transfer agent) such controls.

10.2 These measures may require the Administrative Agent to request verification of the identity of any prospective investor. By way of example, an individual may be required to produce a copy of his/her passport or identification card duly certified by a competent authority (e.g. embassy, consulate, notary, police officer, solicitor, financial institution domiciled in a country imposing equivalent identification requirements or any other competent authority). In the case of corporate applicants, this may require, amongst others, production of a certified copy of the certificate of incorporation (and any change of name) and investor's memorandum and articles of association (or equivalent), a recent list of its shareholders showing a recent stake in its capital, printed on the letterhead of the investor duly dated and signed, an authorised signature list and an excerpt of the trade register. It should be noted that the above list is not exhaustive and that the investors may be required to provide further information to the Administrative Agent in order to ensure the identification of the final beneficial owner of the Units.

10.3 Until satisfactory proof of identity is provided by potential investors or transferees as determined by the Administrative Agent, it reserves the right to withhold issue or approval of registration of transfers of Units. Similarly, redemption proceeds will not be paid unless compliance with these requirements has been made in full. In any such event, the Administrative Agent will not be liable for any interest, costs or compensation.

10.4 In case of a delay or failure to provide satisfactory proof of identity, the Administrative Agent may take such action as it thinks fit.

10.5 These identification requirements may be waived by the Administrative Agent in the following circumstances:

(a) in the case of a subscription through a financial intermediary which is supervised by a regulatory authority which imposes an investors' or transferees' identification obligation equivalent to that required under Luxembourg Law for the prevention of money laundering and to which the financial intermediary is subject;

(b) in the case of a subscription through a financial intermediary whose parent is supervised by a regulatory authority which imposes an investors' or transferees' identification obligation equivalent to that required under Luxembourg Law for the prevention of money laundering and where the law applicable to the parent or the group policy imposes an equivalent on its subsidiaries or branches.

11. MARKET TIMING AND LATE TRADING

11.1 Prospective investors and Unitholders should note that each of the Management Company and the Administrative Agent may reject or cancel any subscription or conversion orders for any reason and in particular in order to comply with Circular 04/146 relating to the protection of UCIs and their investors against Late Trading and Market Timing practices.

11.2 For example, excessive trading of Units in response to short-term fluctuations in the market, a trading technique sometimes referred to as Market Timing, has a disruptive effect on portfolio management and increases the Sub-funds' expenses. Accordingly, each of the Management Company and the Administrative Agent may, in its sole discretion, compulsorily redeem Units or reject any subscription orders and conversions orders from any investor that the Management Company or the Administrative Agent reasonably believes has engaged in Market Timing activity. For these purposes, the Management Company and the Administrative Agent may consider an investor's trading history in the Sub-funds and accounts under common control or ownership.

11.3 In addition to the Subscription or Conversion Fees which may be of application to such orders as set forth in the Special Section of the relevant Sub-fund, the Management Company may impose a penalty of maximum 2% (two per cent.) of the Net Asset Value of the Units subscribed or converted where the Management Company reasonably believes that an investor has engaged in Market Timing activity. The penalty will be credited to the relevant Sub-fund. The Management Company will not be held liable for any loss resulting from rejected orders or mandatory redemption.

11.4 Furthermore, the Management Company and the Administrative Agent will ensure that the relevant deadlines for requests for subscriptions, redemptions or conversions are strictly complied with and will therefore take all adequate measures to prevent practices known as Late Trading.

12. CALCULATION OF NET ASSET VALUE

12.1 The Fund, each Sub-fund and each Class in a Sub-fund have a Net Asset Value determined in accordance with the Management Regulations. The Reference Currency of the Fund is the Euro. The Net Asset Value of each Sub-fund and Class will be calculated in the Reference Currency of the Sub-fund or Class, as it is stipulated in the relevant Special Section, and will be determined by the Administrative Agent for each Valuation Day as at each NAV Calculation Day as stipulated in the relevant Special Section, by calculating the aggregate of:

(a) the value of all assets of the Fund which are allocated to the relevant Sub-fund in accordance with the provisions of the Management Regulations; less

(b) all the liabilities of the Fund which are allocated to the relevant Sub-fund and Class in accordance with the provisions of the Management Regulations, and all fees attributable to the relevant Sub-fund and Class, which fees have accrued but are unpaid on the relevant Valuation Day.

12.2 The Net Asset Value per Unit for a Valuation Day will be calculated in the Reference Currency of the relevant Sub-fund and will be calculated by the Administrative Agent as at the NAV Calculation Day of the relevant Sub-fund by dividing the Net Asset Value of the relevant Sub-fund by the number of Units which are in issue on such Valuation Day in the relevant Sub-fund (including Units in relation to which a Unitholder has requested redemption on such Valuation Day in relation to such NAV Calculation Day).

12.3 If the Sub-fund has more than one Class in issue, the Administrative Agent will calculate the Net Asset Value per Unit of each Class for a Valuation Day by dividing the portion of the Net Asset Value of the relevant Sub-fund attributable to a particular Class by the number of Units of such Class in the relevant Sub-fund which are in issue on such Valuation Day (including Units in relation to which a Unitholder has requested redemption on such Valuation Day in relation to such NAV Calculation Day). The Management Company may decide to publish an indicative Net Asset Value per Unit for each Sub-fund or each Class in a Sub-fund on any day which is not a Valuation Day as defined in each relevant Special Section. This indicative Net Asset Value per Unit will be published for information purpose only. For the avoidance of doubt no subscriptions, redemptions or conversions will be accepted based on this indicative Net Asset Value per Unit.

12.4 The Net Asset Value per Unit may be rounded up or down to the nearest whole hundredth unit of the currency in which the Net Asset Value of the relevant Units are calculated.

12.5 The allocation of assets and liabilities of the Fund between Sub-funds (and within each Sub-fund between the different Classes) will be effected so that:

(a) The subscription price received by the Fund on the issue of Units, and reductions in the value of the Fund as a consequence of the redemption of Units, will be attributed to the Sub-fund (and within that Sub-fund, the Class) to which the relevant Units belong.

(b) Assets acquired by the Fund upon the investment of the subscription proceeds and income and capital appreciation in relation to such investments which relate to a specific Sub-fund (and within a Sub-fund, to a specific Class) will be attributed to such Sub-fund (or Class in the Sub-fund).

(c) Assets disposed of by the Fund as a consequence of the redemption of Units and liabilities, expenses and capital depreciation relating to investments made by the Fund and other operations of the Fund, which relate to a specific Sub-fund (and within a Sub-fund, to a specific Class) will be attributed to such Sub-fund (or Class in the Sub-fund).

(d) Where the use of foreign exchange transactions, instruments or financial techniques relates to a specific Sub-fund (and within a Sub-fund, to a specific Class) the consequences of their use will be attributed to such Sub-fund (or Class in the Sub-fund).

(e) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques relate to more than one Sub-fund (or within a Sub-fund, to more than one Class), they will be attributed to such Sub-funds (or Classes, as the case may be) in proportion to the extent to which they are attributable to each such Sub-fund (or each such Class).

(f) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques cannot be attributed to a particular Sub-fund they will be divided equally between all Sub-funds or, in so far as is justified by the amounts, will be attributed in proportion to the relative Net Asset Value of the Sub-funds (or Classes in the Sub-fund) if the Management Company, in its sole discretion, determines that this is the most appropriate method of attribution; and

(g) Upon payment of dividends to the Unitholders of a Sub-fund (and within a Sub-fund, to a specific Class) the net assets of this Sub-fund (or Class in the Sub-fund) are reduced by the amount of such dividend.

12.6 The assets of the Fund will be valued as follows:

(a) Transferable Securities or Money Market Instruments quoted or traded on an official stock exchange or any other Regulated Market, are valued on the basis of the last known price, and, if the securities or Money Market Instruments are listed on several stock exchanges or Regulated Markets, the last known price of the stock exchange which is the principal market for the security or Money Market Instrument in question, unless these prices are not representative.

(b) For Transferable Securities or Money Market Instruments not quoted or traded on an official stock exchange or any other Regulated Market, and for quoted Transferable Securities or Money Market Instruments, but for which the last known price is not representative, valuation is based on the probable sales price estimated prudently and in good faith by the Management Company.

(c) Units and shares issued by UCITS or other UCIs will be valued at their last available net asset value.

(d) The liquidating value of futures, forward or options contracts that are not traded on exchanges or on other Regulated Markets will be determined pursuant to the policies established in good faith by the Management Company, on a basis consistently applied. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets will be based upon the last available settlement prices of these contracts on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded; provided that if a futures, forward or options contract could not be liquidated on such Business Day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract will be such value as the Management Company may, in good faith and pursuant to verifiable valuation procedures, deem fair and reasonable.

(e) Liquid assets and Money Market Instruments with a maturity of less than 12 months may be valued at nominal value plus any accrued interest or using an amortised cost method (it being understood that the method which is more likely to represent the fair market value will be retained). This amortised cost method may result in periods during which the value deviates from the price the relevant Fund would receive if it sold the investment. The Management Company may, from time to time, assess this method of valuation and recommend changes, where necessary, to ensure that such assets will be valued at their fair value as determined in good faith pursuant to procedures established by the Management Company. If the Management Company believes that a deviation from the amortised cost per Unit may result in material dilution or other unfair results to Unitholders, the Management Company will take such corrective action, if any, as it deems appropriate, to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

(f) The swap transactions will be consistently valued based on a calculation of the net present value of their expected cash flows. For certain Sub-funds using OTC Derivatives as part of their main Investment Policy, the valuation method of the OTC Derivative will be further specified in the relevant Special Section.

(g) Accrued interest on securities will be included if it is not reflected in the Unit price.

(h) Cash will be valued at nominal value, plus accrued interest.

(i) All assets denominated in a currency other than the Reference Currency of the respective Sub-fund/Class will be converted at the mid-market conversion rate between the Reference Currency and the currency of denomination.

(j) All other securities and other permissible assets as well as any of the above mentioned assets for which the valuation in accordance with the above sub-paragraphs would not be possible or practicable, or would not be representative of their probable realisation value, will be valued at probable realisation value, as determined with care and in good faith pursuant to procedures established by the Management Company.

12.7 If on any Valuation Day the aggregate transactions in Units of all Classes of a Sub-fund result in a net increase or decrease of Units for that Sub-fund (relating to the cost of market dealing for that Sub-fund), the Net Asset Value of the relevant Sub-fund may be adjusted by an amount which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Sub-fund and the estimated bid/offer spread of the assets in which the Sub-fund invests. The adjustment will be an addition when the net movement results in an increase of all Units of the Sub-fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows than for net outflows.

13. SUSPENSION OF DETERMINATION OF NET ASSET VALUE, ISSUE, REDEMPTION AND CONVERSION OF UNITS

13.1 The Management Company may at any time and from time to time suspend the determination of the Net Asset Value of Units of any Sub-fund or Class and/or the issue of the Units of such Sub-fund or Class to subscribers and/or the redemption of the Units of such Sub-fund or Class from its Unitholders as well as conversions of Units of any Class in a Sub-fund:

(a) when one or more stock exchanges or markets, which provide the basis for valuing a substantial portion of the assets of the relevant Sub-fund or Class, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the relevant Sub-fund or Class are denominated, are closed otherwise than for ordinary holidays or if dealings therein are restricted or suspended;

(b) when, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Management Company, disposal of the assets of the relevant Sub-fund or Class is not reasonably or normally practicable without being seriously detrimental to the interests of the Unitholders;

(c) in the case of a breakdown in the normal means of communication used for the valuation of any investment of the relevant Sub-fund or Class or if, for any reason beyond the responsibility of the Management Company, the value of any asset of the relevant Sub-fund or Class may not be determined as rapidly and accurately as required;

(d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable or if purchases and sales of the Sub-fund's assets cannot be effected at normal rates of exchange;

(e) in case of the Fund's liquidation or in the case a notice of termination has been issued in connection with the liquidation of a Sub-fund or a Class;

(f) where, in the opinion of the Management Company, circumstances which are beyond the control of the Fund make it impracticable or unfair vis-à-vis the Unitholders to continue trading the Units.

13.2 Any such suspension may be notified by the Management Company in such manner as it may deem appropriate to the persons likely to be affected thereby. The Management Company will notify Unitholders requesting redemption or conversion of their Units of such suspension.

13.3 Such suspension as to any Sub-fund will have no effect on the calculation of the Net Asset Value per Unit, the issue, redemption and conversion of Units of any other Sub-fund.

13.4 Any request for subscription, redemption and conversion will be irrevocable except in the event of a suspension of the calculation of the Net Asset Value per Unit in the relevant Sub-fund. Withdrawal of a subscription or of an application for redemption or conversion will only be effective if written notification (by electronic mail, regular mail, courier or fax) is received by the Administrative Agent before termination of the period of suspension, failing which subscription, redemption applications not withdrawn will be processed on the first Valuation Day following the end of the suspension period, on the basis of the Net Asset Value per Unit determined for such Valuation Day.

14. FISCAL YEAR AND REPORTING

14.1 The Fiscal Year will begin on 1 January and terminate on 31 December of each year, except for the first Fiscal Year which began on 19 January 2018 and ended on 31 December 2018.

14.2 The Fund will cause to be kept at the registered office of the Administrative Agent full and accurate books and records of the Fund.

14.3 Audited annual reports are established at the end of each Fiscal Year, and, will be established as at 31 December of each year and were established for the first time as at 31 December 2018. In addition, unaudited semi-annual reports will be established as per the last day of the month of June and for the first time in June 2018. Those financial reports will provide for information on each of the Sub-fund's assets as well as the consolidated accounts of the Fund and be made available to the Unitholders free of charge at the offices of the Administrative Agent.

14.4 The financial statements of each Sub-fund will be established in the Reference Currency of the Sub-fund but the consolidated accounts will be in EUR.

14.5 Audited annual reports will be published within four months following the end of the accounting year and unaudited semi-annual reports will be published within two months following the end of period to which they refer.

14.6 The Net Asset Value per Unit of each Class within in each Sub-fund will be made public at the offices of the Management Company and Administrative Agent on each NAV Calculation Day.

14.7 Documents available for inspection by Unitholders free of charge, during usual business hours at the offices of the Management Company and Administrative Agent in Luxembourg (copies of these documents may also be delivered without cost to Unitholders at their request):

(a) the Management Regulations.

(b) the Depositary Agreement;

(c) the Administration Agreement; and

(d) the most recent annual and semi-annual financial statements of the Fund.

14.8 The above agreements may be amended from time to time by the parties involved.

14.9 A copy of the Prospectus, the KID, the most recent financial statements and the Management Regulations may be obtained free of charge upon request at the office of the Management Company.

15. FEES AND EXPENSES

Fees and expenses payable directly by the Fund

Management Company Fee

15.1 In consideration for all services provided by the Management Company, the Management Company is entitled to an annual Management Company Fee, payable out of the assets of each Sub-fund at a rate as specified for each Sub-fund and/or Class in the relevant Special Section.

Performance Fee

15.2 The Management Company and/or the Investment Manager may be entitled to a Performance Fee as specified for each Sub-fund and/or Class in the relevant Special Section.

15.3 The Performance Fee will be the positive difference between the annual performance of the Sub-fund and the Hurdle Rate set out in the Special Section. The Performance Fee is calculated according to a high water mark methodology.

A Performance Fee will be payable at the frequency specified in the Special Section in respect of the relevant Class in relation to any specified performance period.

Remuneration of the Investment Manager(s) or Investment Adviser(s)

15.4 If an Investment Manager or Investment Adviser is entitled to receive a remuneration out of the assets of a Sub-fund, then such remuneration will be disclosed in the relevant Special Section.

Operation and administration expenses

15.5 Subject to Sections 15.6 and 15.7 of the General Section and the fees, commissions and expenses covered by the Other Fees, the Fund bears all other expenses which are operational and administrative expenses, which will include but not be limited to: all taxes which may be due on the assets and the income of the Fund; the reasonable disbursements and out-of-pocket expenses (including without limitation telephone, telex, cable and postage expenses) incurred by the Depositary and any custody charges of banks and financial institutions to whom custody of assets of the Fund is entrusted; usual banking fees due on transactions involving securities or other assets (including derivatives) held in the portfolio of the Fund (such fees to be included in the acquisition price and to be deducted from the selling price); the fees, expenses and all reasonable out-of-pocket expenses properly incurred by the Fund, the Service Providers and any other agent appointed by the Fund and more generally any other expenses of whatsoever nature incurred by the Fund or the Service Providers while acting in the interests of the Unitholders, as determined in good faith by the Fund. The Fund may accrue in its accounts of administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

Other Fees

15.6 **Other Fees** means the fees and commissions paid, as the case maybe partially or totally, to the Management Company including without limitation, the services or cost and expenses due or borne by the Fund in respect of:

(a) services provided by the Depositary, in accordance with Section 2.34 of the General Section;

(b) services provided by the Administrative Agent, in accordance with Section 2.38 of the General Section;

(c) services provided by the Auditor;

(d) the passporting or registration of the Fund in countries other than Luxembourg (including translation costs, legal expenses, filing costs and regulatory expenses or fees, but excluding specific foreign UCI's tax as set out in each relevant Special Section);

(e) the legal cost and expenses incurred by the Fund or the Service Providers while acting in the interests of the Unitholders;

(f) the cost and expenses of preparing and/or filing and printing the Management Regulations and all other documents concerning the Fund (in such languages as are necessary), including registration statements, notices to the Unitholders, prospectuses and explanatory memoranda with all authorities (including local securities dealers' associations) having jurisdiction over the Fund or the offering of Units of the Fund;

(g) the cost and expenses of accounting, bookkeeping and calculating the Net Asset Value; the costs of preparing, in such languages as are necessary for the benefit of the Unitholders (including the beneficial holders of the Units), and distributing annual and semi-annual reports and such other reports or documents as may be required under applicable laws or regulations;

(h) the cost and expenses of promoting the Fund, including reasonable marketing and advertising expenses;

(i) the costs incurred with the admission and the maintenance of the Units on the stock exchanges on which they are listed (if listed);

(j) the costs and expenses linked to any licence agreement.

15.7 In each Special Section, the Other Fees rate represents the maximum amount of Other Fees that can be ultimately borne by the relevant Sub-fund. Any Other Fees in excess of the Other Fees rate set out in a Special Section will be borne by the Management Company out of its own assets. Other Fees may be paid either (i) directly out of a Sub-fund's assets or (ii) by the Management Company directly out of its own assets (provided that if and to the extent the Management Company pays Other Fees in an amount that is below or equal to the Other Fees rate, it will be reimbursed by the Sub-fund for such Other Fees).

Formation and launching expenses of the Fund and the Initial Sub-fund

15.8 The Fund and the Initial Sub-fund will not bear the formation and launching expenses (including but not limited to legal fees related to the set-up of the Fund, travel expenses, etc.) incurred on behalf of, or in connection with, the formation of the Fund and the launching of the Initial Sub-fund. These expenses will be borne by the Management Company and/or other entities.

Formation and launching expenses of additional Sub-funds

15.9 Expenses incurred in connection with the creation of any additional Sub-fund may be borne by the relevant Sub-fund and be written off over a period not exceeding five years.

Fees and expenses payable directly by the investor

Subscription Fee

15.10 If an investor wants to subscribe Units, a Subscription Fee may be added to the subscription price to be paid by the investor. The applicable Subscription Fee will be stipulated in the relevant Special Section. This fee will be payable to the Management Company or the Distributor, unless otherwise specified in respect of a Sub-fund in the relevant Special Section.

Redemption Fee

15.11 If a Unitholder wants to redeem Units of the Fund, a Redemption Fee may be levied on the amount to be paid to the Unitholder. The applicable Redemption Fee will be stipulated in the relevant Special Section. This fee will be payable to the Management Company, unless otherwise specified in respect of a Sub-fund in the relevant Special Section.

Conversion Fee

15.12 A Conversion Fee, in favour of Sub-fund from which the Units are converted may be levied to cover conversion costs. The applicable Conversion Fee will be stipulated in the relevant Special Section of the Units of the relevant Class of the relevant new Sub-fund to be issued. The same rate of Conversion Fee will be applied to all conversion requests received on the same Valuation Day.

16. DIVIDEND POLICY

16.1 Distributions to Unitholders may comprise dividends, interest, capital and capital gains payments. Distributions may only be made if the Net Asset Value of the Fund does not fall below the Legal Minimum Net Asset Requirement.

16.2 The Fund may issue Accumulation Classes and Distribution Classes within the Classes of each Sub-fund, as indicated in the Special Section. Accumulation Classes do not make distributions to the Unitholders but capitalise their entire earnings whereas Distribution Classes pay dividends to the Unitholders.

16.3 For Distribution Classes, dividends, if any, will be declared and distributed on an annual basis. Moreover, interim dividends may be declared and distributed from time to time at a frequency determined by the Fund within the conditions set forth by law, as further described in the relevant Special Section.

16.4 Payments will be made in the Reference Currency of the relevant Sub-fund and/or Class. Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Sub-fund.

16.5 Unless otherwise stated for a particular Sub-fund in the relevant Special Section, the Fund is authorised to make in-kind distributions/payments of securities or other assets with the consent of the relevant Unitholder(s). Any such distributions/payments in kind will be valued in a report established by an auditor qualifying as a *réviseur d'entreprises agréé* drawn up in accordance with the requirements of Luxembourg Law, the costs of which report will be borne by the relevant Unitholder.

17. DISSOLUTION/LIQUIDATION/MERGER

Right to liquidate the Fund

17.1 Unless the Management Company determines, to terminate the Fund in the case where the value of the net assets of the Fund has decreased to an amount determined by the Management Company to be the minimum level for the Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation, or monetary situation or as a matter of economic rationalisation, the Fund will exist for an indefinite period.

17.2 The Fund will further be dissolved:

(a) in the case of cessation of the functions of the Management Company or the Depositary, if they have not been replaced within two months;

(b) in the case of bankruptcy of the Management Company;

(c) if the net assets of the Fund have become less, over a period of more than six months, than a quarter of the Legal Minimum Net Asset Requirement.

17.3 The Fund must inform the CSSF without delay if the net assets of the Fund fall below two-thirds of the legal minimum. If the net assets of the Fund fall below such legal minimum, the CSSF may require the Management Company to wind-up the Fund.

17.4 The liquidation of the Fund or of a Sub-fund cannot be requested by a Unitholder.

Notice of liquidation – Liquidation procedure

17.5 Notice of dissolution of the Fund will be given in the Luxembourg Official Gazette. It will further be published in two newspapers, one of which must be a Luxembourg newspaper with a broad circulation.

17.6 No Units may be issued after the occurrence of the event giving raise to the liquidation of the Fund. The redemption of Units remains possible provided the equal treatment of Unitholders can be ensured.

17.7 In the event of a winding-up of the Fund or a Sub-fund, the Fund will dispose of the assets of the Fund or the relevant Sub-fund (as applicable) in the best interests of the Unitholders of the Fund or the Unitholders of the particular Sub-fund (as applicable), and the Depositary, upon instructions given by the Management Company, will distribute the net proceeds of winding-up, after deduction of all winding-up expenses, among the Unitholders, *pro rata* of the number of Units held by each of them in the relevant Sub-fund and Class of Units.

17.8 The Fund will seek to complete the winding-up process as soon as practicable in compliance with the provisions set forth under Luxembourg Law. During the liquidation of the Fund, the Fund may in its absolute discretion (but is not obligated to) at the request of a Unitholder in respect of the equal treatment of Unitholders (and provided an independent valuation has been obtained), distribute assets to such Unitholder in kind to satisfy such Unitholder's entitlement, in whole or in part, on the liquidation. The Fund will endeavour to sell all of the assets during the liquidation of the Fund.

17.9 At the close of liquidation of the Fund the proceeds thereof, corresponding to Units not surrendered, will be deposited with the *Caisse de Consignation* in Luxembourg until expiry of the applicable statute of limitation.

Liquidation of Sub-funds or Classes - Merger

17.10 In the event that, for any reason, the value of the total net assets in any Sub-fund or Class has fallen below or has not reached the Minimum Net Asset Value or in case of a substantial modification in the political, economic or monetary situation, or as a matter of economic rationalisation, the Management Company may decide to offer to the relevant Unitholders the conversion of their Units into Units of another Sub-fund under terms fixed by the Management Company or to compulsorily redeem all the Units of the relevant Sub-fund or Class at the NAV per Unit (taking into account projected realisation prices of investments and realisation expenses calculated on the NAV Calculation Day immediately preceding the date at which such decision will take effect). The Management Company will serve a notice to the holders of the relevant Units prior to the effective date for the compulsory redemption, which will indicate the reasons for and the procedure for the redemption operations.

17.11 Under the same circumstances as set out above, the Management Company can also decide to allocate the assets of any Sub-fund to those of another existing Sub-fund or to another UCI or sub-fund thereof or to merge the Fund with another UCI (or sub-fund thereof) registered under Part I of the 2010 Act. The Unitholders will be informed one month before the NAV Calculation Day on which the merger takes effect by notice to be mailed to the Unitholders. The notice will contain information in relation to the other UCI. During this period, Unitholders, in respect of the Sub-funds (if any), may request the redemption of some or all of their Units free of any redemption charge at the corresponding Net Asset Value of the Units. After such period, Unitholders having not requested the redemption of their Units (if entitled to do so) will be bound by the decision of the Management Company, provided that only the Unitholders having expressly consented thereto may be transferred to a foreign UCI.

17.12 Any request for subscription will be suspended as from the moment of the announcement of the termination, the merger or the transfer of the relevant Sub-fund.

18. TAXATION

General

18.1 The Fund will be considered as transparent for Luxembourg tax purposes. The Fund is neither subject to corporate income tax (*impôt sur le revenu des collectivités*), nor municipal business tax (*impôt commercial communal*), nor wealth tax (*impôt sur la fortune*) in Luxembourg.

18.2 However, the Fund is subject to an annual subscription tax (*taxe d'abonnement*). The annual subscription tax, payable quarterly, is computed on the Fund's net assets as calculated on the last day of each quarter. The standard applicable rate of the annual subscription tax is 0.05%. Depending on the circumstances, exemptions from or a reduced rate of the annual subscription tax may be available.

18.3 No Luxembourg registration duties (*droits d'enregistrement*) are due in Luxembourg in connection with the issue of Units by the Fund.

18.4 Profit distributions made by the Fund are not subject to Luxembourg withholding taxes.

18.5 Unitholders are not subject to income taxes in Luxembourg, except for those Unitholders domiciled, resident or having a permanent establishment or representative in Luxembourg.

19. EXCHANGE OF INFORMATION FOR TAX PURPOSES

19.1 To comply with the requirements of the Automatic Exchange of Information (AEOI), the Fund may need to collect and disclose information about its Unitholders to third parties, including the tax authorities, for the purpose of onward transmission to the relevant jurisdictions. The information disclosed may include (but is not limited to) the identity of Unitholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A Unitholder will therefore be required to comply with any reasonable request from the Management Company for such information, to allow the Fund to comply with its reporting requirements in accordance with, and subject to, the Luxembourg law of 24 July 2015 concerning FATCA, and/or the Luxembourg law of 18 December 2015 implementing Council Directive 2014/107/EU and the standard for automatic exchange of financial account information in tax matters developed by the OECD with the G20 countries (commonly referred to as the "*Common Reporting Standard*"), each as amended from time to time (each an **AEOI Law** and collectively the **AEOI Laws**). Such information, which may include personal data (including, without limitation, the name, address, country(ies) of tax residence, date and place of birth and tax identification number(s) of any reportable individual) and certain financial data about the relevant Units (including, without limitation, their balance or value and gross payments made thereunder), will be transferred by the Luxembourg direct tax administration to the competent authorities of the relevant foreign jurisdictions in accordance with, and subject to, the relevant Luxembourg legislation and international agreements. The Unitholder has to be advised on its particular tax situation from an independent tax adviser.

19.2 Each Unitholder and prospective investor agrees to provide, upon request by the Fund (or its delegates), any such information, documents and certificates as may be required for the purposes of the Fund's identification and reporting obligations under any AEOI Law. The Fund reserves the right to reject any application for Units or to redeem Units (i) if the prospective investor or Unitholder does not provide the required information, documents or certificates or (ii) if the Fund (or its delegates) has reason to believe that the information, documents or certificates provided to the Fund (or its delegates) are incomplete or incorrect and the Unitholder does not provide, to the satisfaction of the Fund (or its delegates), sufficient information to cure the situation. Prospective investors and Unitholder should note that incomplete or inaccurate information may lead to multiple and/or incorrect reporting under the AEOI Laws. Neither the Fund nor any other person accepts any liability for any consequences that may result from incomplete or inaccurate information provided to the Fund (or its delegates). Any Unitholder failing to comply with the Fund's information requests may be charged with any taxes and penalties imposed on the Fund attributable to such Unitholder's failure to provide complete and accurate information.

Each Unitholder and prospective investor acknowledges and agrees that the Fund will be responsible to collect, store, process and transfer the relevant information, including the personal data, in accordance with the AEOI Laws. Each individual whose personal data has been processed for the purposes of any AEOI Law has a right of access to his/her personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

20. FOREIGN ACCOUNT TAX COMPLIANT ACT

20.1 Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (**FATCA**) impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments to and by certain non-U.S. financial institutions ("foreign financial institutions", or "FFIs" (as defined by FATCA)). The Fund will be classified as an FFI.

20.2 The United States and the Grand Duchy of Luxembourg have entered into an intergovernmental agreement (the **IGA**) with respect to FATCA. Pursuant to the IGA, the Fund expects not to be subject to withholding under FATCA on any payments it receives. Further, the Fund expects not to be required to withhold under FATCA from payments it makes. Under the IGA the Fund may be required to report certain information in respect of its investors to the Luxembourg tax authorities for onward transmission to the U.S. Internal Revenue Service. The information disclosed may include (but is not limited to) the identity of investors and their direct or indirect beneficiaries, beneficial owners and controlling persons. An investor will therefore be required to comply with any reasonable request from the Fund for such information, to allow the Fund to comply with such information reporting requirements. Prospective investors should refer to the subscription documentation for further information.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER. Future changes in applicable law.

20.3 The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund to income taxes or subject Unitholders to increased income taxes.

20.4 THE INFORMATION SET OUT ABOVE IS A SUMMARY OF THOSE TAX ISSUES WHICH COULD ARISE IN LUXEMBOURG AND DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OF THE TAX ISSUES WHICH COULD AFFECT A PROSPECTIVE SUBSCRIBER.

20.5 THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SUBSCRIBERS. PROSPECTIVE SUBSCRIBERS SHOULD CONSULT THEIR

OWN COUNSEL REGARDING TAX LAWS AND REGULATIONS OF ANY OTHER JURISDICTION WHICH MAY BE APPLICABLE TO THEM.

Other jurisdictions

20.6 Interest, dividend and other income realised by the Fund on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Fund will bear since the amount of the assets to be invested in various countries and the ability of the Fund to reduce such taxes is not known.

20.7 The information set out above is a summary of those tax issues which could arise in Luxembourg and does not purport to be a comprehensive analysis of the tax issues which could affect a prospective investor. It is expected that Unitholders may be resident for tax purposes in many different countries. Consequently, no attempt is made in this document to summarise the tax consequences for each prospective Unitholders of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Units in the Fund. These consequences will vary in accordance with the law and practice currently in force in an investor's country of citizenship, residence, domicile or incorporation and with his or her personal circumstances.

21. RISK FACTORS

21.1 Before making an investment decision with respect to Units of any Class in any Sub-fund, prospective investors should carefully consider all of the information set out in this Prospectus and the relevant Special Section, as well as their own personal circumstances. Prospective investors should have particular regard to, among other matters, the considerations set out in this Section and under the Sections "Specific risk factor(s)" (if any) and "Profile of Typical Investor" in the relevant Special Section. The risk factors referred to therein, and in this document, alone or collectively, may reduce the return on the Units of any Sub-fund and could result in the loss of all or a proportion of a Unitholder's investment in the Units of any Sub-fund. The price of the Units of any Sub-fund can go down as well as up and their value is not guaranteed. Unitholders may not receive, at redemption or liquidation, the amount that they originally invested in any Class or any amount at all.

21.2 The risks may include or relate to equity markets, bond markets, foreign exchange rates, interest rates, credit risk, the use of derivatives, counterparty risk, market volatility and political risks. The risk factors set out in this Prospectus and the relevant Special Section are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

21.3 An investment in the Units of any Sub-fund is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

21.4 Before making any investment decision with respect to the Units, prospective investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial adviser and carefully review and consider such an investment decision in the light of the foregoing and the prospective investor's personal circumstances.

21.5 The Fund is intended to be a medium to long-term investment vehicle (depending on the Investment Policy of the relevant Sub-funds). Units may however be redeemed on each Valuation Day. Substantial redemptions of Units by Unitholders within a limited period of time could cause the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Units being redeemed and the outstanding Units. In addition, regardless of the period of time in which redemptions occur, the resulting reduction in the Net Asset Value per Unit could make it more difficult for the Fund to generate trading profits or recover losses.

Indemnities

21.6 Certain Service Providers of a Sub-fund and their directors, managers, officers and employees may benefit from an indemnification under the relevant Service Agreement and could therefore, in certain circumstances, be indemnified out of the relevant Sub-fund's assets against liabilities, costs, expenses (including, e.g., legal expenses) incurred by reason of such person or entity providing services to the relevant Sub-fund. In principle, however, indemnification clauses will generally contain carve outs in relation to acts or omissions that incur, e.g., gross negligence, fraud, wilful default or reckless disregard.

Performance allocation and fees

21.7 Certain Sub-funds may provide for the right of the Management Company or the Investment Manager or Investment Adviser (if any) to receive a Performance Fee or similar remuneration schemes. The fact that the remuneration is based on the performance of the relevant Sub-fund may create an incentive for the Management Company, the Investment Manager or the Investment Adviser (if any) to cause the Sub-fund to make investments that are more speculative than would be the case in the absence of performance-based compensation. However, such incentive may be tempered somewhat by the fact that losses will reduce the Sub-fund's performance and thus the Management Company's or the Investment Manager's or the Investment Adviser's (if any) Performance Fee or similar remuneration scheme.

Key Persons

21.8 The success of the Fund or of its Sub-funds will largely depend on the experience, relationships and expertise of the key persons within the Management Company or the Investment Manager, if any, which have long term experience in the respective area of investment. The performance of the Fund or any Sub-fund may be negatively affected if any of the key persons involved in the management or investment process of the Fund or particular Sub-fund would for any reason cease to be involved. Furthermore, the key persons might be involved in other businesses, including in similar projects or investment structures, and not be able to devote all of their time to the Fund or the respective Sub-fund. In addition the involvement in similar projects or investment structures may create a source for potential conflicts of interest.

Effects of redemptions

21.9 Large redemptions of Units within a limited period of time could require the Management Company to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Units being redeemed and the outstanding Units. In addition, regardless of the period of time over which redemptions occur, the resulting reduction in a Sub-fund's Net Asset Value could make it more difficult for the Management Company, the Investment Manager or an Investment Adviser to generate profits or recover losses. Redemption proceeds paid by the Management Company to a redeeming Unitholder may be less than the Net Asset Value of such Units at the time a redemption request is made due to fluctuations in the Net Asset Value between the date of the request and the applicable dealing day.

Concentration risks

21.10 Certain Sub-funds may concentrate their investments on certain geographical areas or sectors. Concentration of the investments of Sub-funds in any particular countries will mean that those Sub-funds may be more greatly impacted by adverse social, political or economic events which may occur in such countries. Similarly, Sub-funds concentrating their investments in companies of certain sectors will be subject to the risks associated with such concentration.

Exchange rates

21.11 Investors in the Units should be aware that an investment in the Units may involve exchange rate risks. For example (i) a Sub-fund may have direct or indirect exposure to a number of different currencies of emerging market or developed countries; (ii) a Sub-fund may invest in securities or other eligible assets denominated in currencies other than the Sub-fund's Reference Currency; (iii) the Units may be denominated in a currency other than the currency of the investor's home jurisdiction; and/or (iv) the Units may be denominated in a currency other than the currency in which an investor wishes to receive his monies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro-economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Units.

Interest rate

21.12 Investors in the Units should be aware that an investment in the Units may involve interest rate risk in that there may be fluctuations in the currency of denomination of securities or other eligible assets in which a Sub-fund invests the Units.

21.13 Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Units. Fluctuations in interest rates of the currency in which the Units are denominated and/or fluctuations in interest rates of the currency or currencies in which the securities or other eligible assets in which a Sub-fund invests are denominated may affect the value of the Units.

Market volatility

21.14 Market volatility reflects the degree of instability and expected instability of the securities or other eligible assets in which a Sub-fund invests, the performance of the Units, or the techniques used to link the net proceeds of any issue of Units to OTC Derivatives underlying asset(s), where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

Specific market conditions

In case of exceptional market conditions the Management Company may temporarily (i) change the replication policy of a given Sub-fund or (ii) replace an investment strategy with an exposure to a substitute investment strategy or to money market instruments or (iii) maintain the exposure to the investment strategy as last known before the occurrence of the specific market conditions. This may affect the Net Asset Value per Unit of the relevant Sub-Fund.

Credit risk

21.15 Investors in the Units should be aware that such an investment may involve credit risk. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Unit.

Nominee arrangements

21.16 The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, if the investor is registered himself and in his own name in the register of Unitholders. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain unitholder rights directly against the Fund. Investors are advised to take advice on their rights.

Market-related risks

General economic conditions

21.17 The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the liquidity of the markets for both equities and interest-rate-sensitive securities. Certain market conditions, including unexpected volatility or illiquidity in the market in which the Fund directly or indirectly holds positions, could impair the Fund's ability to achieve its objectives and/or cause it to incur losses.

Risks in transactions in currencies

21.18 In general, foreign exchange rates can be extremely volatile and difficult to predict. Foreign exchange rates may be influenced by, among other factors: changing supply and demand for a particular currency; trade, fiscal and monetary policies of governments (including exchange control programs, restrictions on local exchanges or markets and limitations on foreign investment in a country or on investment by residents of a country in other countries); political events; changes in balances of payments and trade; domestic and foreign rates of inflation; domestic and foreign rates of interest; international trade restrictions; and currency devaluations and revaluations. In addition, governments from time to time intervene, directly and by regulation, in the currency markets to influence prices directly. Variance in the degree of volatility of the market form the Management Company, the Investment Manager and an Investment Adviser's expectations may produce significant losses to a Sub-fund, particularly in the case of transactions entered into pursuant to non-directional strategies.

Lack of liquidity in markets

21.19 Despite the heavy volume of trading in securities and other financial instruments, the markets for some securities and instruments have limited liquidity and depth. This limited liquidity and lack of depth could be a disadvantage to the Sub-funds, both in the realisation of the prices which are quoted and in the execution of orders at desired prices.

Emerging Market & Small Cap Risk

21.20 Sub-funds investing in emerging markets (OECD countries before 1 January 1994 and Turkey), small caps or specialised or restricted sectors are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions (social, political and economic conditions). In addition, some emerging markets offer less security than the majority of international developed markets.

21.21 For this reason, services for portfolio transactions, liquidation and conservation on behalf of funds invested in emerging markets may carry greater risk. The Fund and investors agree to bear these risks. With regards to the Russian market, investments there are made with the Russian Trading System Stock Exchange (or RTS Stock Exchange), which brings together a large number of Russian issuers and allows for almost total coverage of the Russian equity universe. By investing with the RTS Stock Exchange, investors can take advantage of the liquidity of the Russian market without having to deal in the local currency, as all issuers can be directly traded in USD.

21.22 Smaller companies may find themselves unable to generate new funds to support their growth and development, they may lack vision in management, or they may develop products for new, uncertain markets. Some of these markets are not currently regarded as regulated markets; direct investment in such markets (with the exception of ADRs and GDRs), added to investments in unlisted shares, is limited to 10% of net assets.

Use of financial derivative instruments

21.23 While the prudent use of financial derivative instruments can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in a Sub-fund.

Market risk

21.24 Market risk is of a general nature, affecting all types of investment. The trend in the prices of transferable securities is determined mainly by the trend in the financial markets and by the economic development of the issuers, who are themselves affected both by the overall situation of the global economy and by the economic and political conditions prevailing in each country.

Moreover, in consideration of the Sub-fund's Investment Objective Unitholders should be aware that the value of the Sub-fund's assets is closely related to the evolution of a given strategy, markets or assets. As a consequence, there is a potential risk arising from the evolution and fluctuation of the strategy, markets or assets, and investments in the Sub-fund are as well subject to the same market fluctuations.

Control and monitoring

21.25 Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Sub-fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity risk

21.26 Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Fund will only enter into OTC Derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty risk

21.27 The Sub-funds may enter into transactions in OTC markets, which will expose the Sub-funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Sub-funds may enter into swap arrangements or other derivative techniques as specified in the relevant Special Sections, each of which exposes the Sub-funds to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-funds could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However this risk is limited in view of the Investment Restrictions laid down in the Section 3 of the General Section.

21.28 Certain markets in which the Sub-funds held by the Sub-funds may effect their transactions are over-the-counter or interdealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. To the extent a Sub-fund invests in swaps, derivative or synthetic instruments, or other OTC transactions, on these markets, such Sub-fund may take credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections. This exposes the Sub-funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties. In addition, in the case of a default, the respective Sub-fund could become subject to adverse market movements while replacement transactions are executed. The Sub-funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, the Sub-funds have no internal credit function which evaluates the creditworthiness of their counterparties. The ability of the Sub-funds to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Sub-funds.

Lack of availability

21.29 Because the markets for certain derivative instruments (including markets located in foreign countries) are relatively new and still developing, suitable derivatives transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the Management Company or the Investment Manager may wish to retain the respective Sub-fund's position in the derivative instrument by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that the Sub-funds will engage in derivatives transactions at any time or from time to time. The Sub-funds' ability to use derivatives may also be limited by certain regulatory and tax considerations.

Synthetic short selling

21.30 Sub-funds may utilise synthetic short exposures through the use of cash settled derivatives such as swaps, futures and forwards in order to enhance their overall performance. A synthetic short sale position replicates the economic effect of a transaction in which a fund sells a security it does not own but has borrowed, in anticipation that the market price of that security will decline. When a Sub-fund initiates such a synthetic short position in a security that it does not own, it enters into a derivative-based transaction with a counterparty or broker-dealer and closes that transaction on or before its expiry date through the receipt or payment of any gains or losses resulting from the transaction. A Sub-fund may be required to pay a fee to synthetically short particular securities and is often obligated to pay over any payments received on such securities. Each Sub-fund maintains sufficiently liquid long positions in order to cover any obligations arising from its short positions. If the price of the security on which the synthetic short position is written increases between the time of the initiation of the synthetic short position and the time at which the position is closed, the Sub-fund will incur a loss; conversely, if the price declines, the Sub-fund will realise a short-term capital gain. Any gain will be decreased and any loss increased by the transactional costs described above. Although a Sub-fund's gain is limited to the price at which it opened the synthetic short position, its potential loss is theoretically unlimited. Stop loss policies are typically employed to limit actual losses, which would otherwise have to be covered by closing long positions.

Synthetic leverage

21.31 A Sub-fund's portfolio may be leveraged by using derivative instruments (including OTC Derivatives) i.e. as a result of its transactions in the futures, options and swaps markets. A low margin deposit is required in futures trading and the low cost of carrying cash positions permit a degree of leverage, which may result in exaggerated profits or losses to an investor. A relatively small price movement in a futures position or the underlying instrument may result in substantial losses to the Sub-fund resulting in a similar decline to the Net Asset Value per Unit. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the futures contract or security underlying the option which the writer must purchase or deliver upon exercise of the option. Contracts for differences and swaps may also be used to provide synthetic short exposure to a stock - the risks associated with using swaps and contract for differences are more fully disclosed in Section 21.32 below.

Use of specific derivative contracts

21.32 The following only represents a limited choice of risks associated with derivatives the Sub-funds may elect to invest in. The Sub-funds are substantially unrestricted in their use of derivatives and may decide to use various other derivatives contracts associated with much higher or different risks, as the case may be.

(a) Swap agreements

Sub-funds may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Sub-funds' exposure to long-term or short-term interest rates, different currency values, corporate borrowing rates, or other factors such as without limitation security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Sub-funds are not limited to any particular form of swap agreement if consistent with the respective Sub-fund's Investment Objective. Swap agreements tend to shift the respective Sub-fund's investment exposure from one type of investment to another. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Sub-funds' portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Sub-funds.

Inter alia, in order to seek to reduce the interest rate risk inherent in the Sub-funds underlying investments especially associated with bonds and other fixed income investments, the Sub-funds may employ interest rate swaps or option transactions. Interest rate swaps involve the Sub-funds' agreement with the swap counterparty to pay a variable rate payment on a notional amount in exchange for the counterparty paying the Sub-funds a fixed rate payment on a notional amount that is intended to approximate the Sub-funds income on variable interest rates.

The use of interest rate swaps and options is a highly specialised activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. Depending on the state of interest rates, the respective Sub-fund's use of interest rate instruments could enhance or harm the overall performance on the Units in the respective Sub-fund. To the extent there is an increase in interest rates, the value of the interest rate swap or option could go down, and could result in a decline in the Net Asset Value of the Units. If interest rates are higher than the respective Sub-fund's fixed rate of payment on the interest rate swap, the swap will reduce the net earnings. If, on the other hand, interest rates are lower than the fixed rate of payment on the interest rate swap, the swap will enhance net earnings.

Interest rate swaps and options generally do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to interest rate swaps or options is limited to the net amount of interest payments that the Sub-funds are contractually obligated to make.

In addition, at the time the interest rate swap or option transaction reaches its scheduled termination date, there is a risk that the Sub-funds will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favourable as the terms of the expiring transactions. If this occurs, it could have a negative impact on the performance of the Units in the respective Sub-fund.

(b) Call options

There are risks associated with the sale and purchase of call options. The seller (writer) of a call option that is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security offset by the gain by the premium received if the option expires out of the money, and gives up the opportunity for gain on the underlying security above the exercise price of the option. If the seller of the call option owns a call option covering an equivalent number of shares with an exercise price equal to or less than the exercise price of the call written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered, unhedged call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security (if the market price of the underlying security declines).

(c) Put options

There are risks associated with the sale and purchase of put options. The seller (writer) of a put option that is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sale price of the short position of the underlying security offset by the premium if the option expires out of the money, and thus the gain in the premium, and the option seller gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered, unhedged put option assumes the risk of a decline in the market price of the underlying security to zero.

The buyer of a put option assumes the risk of losing his entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

(d) Forward trading

Each Sub-fund may invest in forward contracts and options thereon, which, unlike futures contracts, are not traded on exchanges, and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the fulfilment by the dealer or counterparty of its contract. As a result, trading in unregulated exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which the respective Sub-fund has forward contracts. Although the Fund seeks to trade with responsible counterparties, failure by a counterparty to fulfil its contractual obligation could expose the Fund to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Sub-funds due to unusually high or low trading volume, political intervention or other factors. The imposition of credit controls by government authorities might also limit such forward trading to less than that which the Management Company or the Investment Manager would otherwise recommend, to the possible detriment of the Sub-funds.

(e) Performance swaps, interest rate swaps, currency swaps, credit default swaps and interest rate swaptions

The Management Company or the Investment Manager may, as a part of the investment strategy of a Sub-fund, enter into various exchange agreements such as performance swaps, interest rate swaps, currency swaps, TRS, credit default swaps and interest rate swaptions agreements. Interest rate swaps involve the exchange by a Sub-fund with another party of their respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. TRS involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset or investments, index or basket of assets or investments against the right to make fixed or floating payments.

Where a Sub-fund enters into interest rate swaps or TRS on a net basis, the two payment streams, if any, are netted out, with each Sub-fund receiving or paying, as the case may be, only the net amount of the two payments. Interest rate swaps or TRS entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that the Sub-fund is contractually obligated to make (or in the case of TRS, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate swap defaults, in normal circumstances the Sub-fund's risk of loss consists of the net amount of interest or total return payments that the Sub-fund is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

A Sub-fund may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event (such as bankruptcy or insolvency) occurs or receive a cash settlement based on the difference between the market price and such reference price.

A Sub-fund may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, a Sub-fund may buy protection under credit default swaps without holding the underlying assets.

A Sub-fund may also sell protection under credit default swaps in order to acquire a specific credit exposure.

A Sub-fund may also purchase a receiver or payer interest rate swaption contract. Swaptions are options on interest rate swaps. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of interest rate swaps, TRS currency swaps, credit default swaps and interest rate swaptions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Management Company or the Investment Manager is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Sub-fund would be less favourable than it would have been if these investment techniques were not used.

(f) Specific risk relating to the use of TRS

Because it does not involve physically holding the securities, synthetic replication through total return (or unfunded swaps) and fully-funded swaps can provide a means to obtain exposure to difficult-to-implement strategies that would otherwise be very costly and difficult to have access to with physical replication. Synthetic replication may therefore involve lower costs than physical replication. Synthetic replication however involves counterparty risk. If the Sub-fund engages in OTC Derivatives, there is the risk – beyond the general counterparty risk – that the counterparty may default or not be able to meet its obligations in full. Where the Fund and any of its Sub-funds enters into TRS on a net basis, the two payment streams, if any, are netted out, each Sub-fund receiving or paying, as the case may be, only the net amount of the two payments. TRS entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to TRS is limited to the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments, if any. If the other party to a TRS defaults, in normal circumstances the Fund's or relevant Sub-fund's risk of loss consists of the net amount of total return payments that the Fund or Sub-fund is contractually entitled to receive.

(g) Contracts for differences

The Sub-funds may have an exposure in Contracts For Difference (**CFDs**). CFDs are synthetic instruments which mirror the profit (or loss) effect of holding (or selling) equities directly without buying the actual securities themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and the share price when the contract is closed. Accordingly, under such an instrument the relevant Sub-fund will make a profit if it has a purchase position and the price of the underlying security rises (and make a loss if the price of the underlying security falls). Conversely if the Sub-fund has a sale position, it will make a profit if the price of the underlying security falls (and make a loss if the price of the underlying security rises). As part of the normal market terms of trade the Fund must comply with market participants terms and conditions and in particular initial margin has to be paid to cover potential losses (on set up) and variation margin on adverse price movements (during the term of the CFD). In addition it should be noted the relevant Sub-fund could suffer losses in event of the CFD issuer's default or insolvency.

(h) Other derivative instruments

The Sub-funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the Investment Objective of the Sub-funds and legally permissible. Special risks may apply to instruments that are invested in by the Fund in the future that cannot be determined at this time or until such instruments are developed or invested in by the Sub-funds. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

Risks of options trading

In seeking to enhance performance or hedge assets, the Sub-fund may use options. Both the purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price.

Investing in futures is volatile and involves a high degree of leverage

Futures markets are highly volatile markets. The profitability of the Sub-fund will partially depend on the ability of the Management Company or the Investment Manager to make a correct analysis of the market trends, influenced by governmental policies and plans, international political and economic events, changing supply and demand relationships, acts of governments and changes in interest rates. In addition, governments may from time to time intervene on certain markets, particularly currency markets. Such interventions may directly or indirectly influence the market. Given that only a small amount of margin is required to trade on futures markets, the operations of the managed futures portion of the Sub-fund will be characterised by a high degree of leverage. As a consequence, a relatively small variation of the price of a futures contract may result in substantial losses for the Sub-fund and a correlated reduction of the Net Asset Value of the Units of the Sub-fund.

Futures markets may be illiquid

Most futures markets limit fluctuation in futures contracts prices during a single day. When the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions can be neither taken nor liquidated unless the Management Company or the Investment Manager are willing to trade at or within the limit. In the past futures contracts prices have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Sub-fund from promptly liquidating unfavourable positions and thus subject the Sub-fund to substantial losses. In addition, even if the prices do not get close to such limits, the Sub-fund may be in a position not to obtain satisfying prices if the volumes traded on the market are insufficient to meet liquidation requests. It is also possible that a stock exchange, the Commodity Futures Trading Commission in the United States or another similar institution in another country suspends the listing of a particular contract, instructs the immediate liquidation of the contract or limits transactions on a contract to the sole transactions against delivery.

Options on futures

The Management Company may engage in the management of options, in particular options on futures contracts. Such management carries risks similar to the risks inherent to the uncovered management of futures contracts on commodities as far as such options are volatile and imply a high degree of leverage. The specific movements of the commodities and futures contracts markets, which represent the underlying assets of the options may not be predicted with precision. The buyer of an option may lose the entire purchase price of the option. The seller of an option may lose the difference between the premium received for the option and the price of the commodity or of the futures contract underlying the option that the seller must buy or deliver, upon the exercise of the option.

Other risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC Derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-fund. However, this risk is limited as the valuation method used to value OTC Derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following a Sub-fund's Investment Objective.

EPM Techniques

21.33 A Sub-fund may incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-fund to the counterparty as required by the terms of the transaction. The Sub-fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-fund.

21.34 The use of EPM Techniques, in particular with respect to the quality of the collateral received and/or reinvested, may lead to several risks such as liquidity risk, counterparty risk, issuer risk, valuation risk and settlement risk, which can have an impact on the performance of the Sub-fund concerned

Conflicts of interests

21.35 Investors should note that connected parties of the BNP Paribas group of companies (the **BNP Paribas Group**) may act, inter alia and not excluding, as Management Company, counterparty of the OTC Derivative, and Depositary. As a result not only will investors be exposed to the credit risk of the BNP Paribas Group but also operational risks arising from any potential lack of independence of the Management Company. The operational risks arising from any such potential lack of independence are in part reduced by the fact that different legal entities or different divisions of a single legal entity within the BNP Paribas Group will be responsible for implementing for instance the management of the Sub-fund and the safekeeping of the Sub-fund's assets. Each such legal entity or division is run as a separate operational unit, segregated by information barriers (commonly called Chinese Walls) and run by different management teams. In addition, the Depositary and the Management Company have undertaken to act independently of each other in their dealings with the Sub-fund. Whilst compliance procedures require effective segregation of duties and responsibilities between the relevant legal entities or divisions of a single legal entity within the BNP Paribas Group, the possibility of conflicts of interest arising cannot be wholly eliminated.

21.36 The Management Company may enter into OTC Derivative or EPM Techniques with counterparties affiliated to the BNP Paribas Group. In this case, there is a potential conflict of interests between the interests of the Unitholders and the interests of the group to which the Management Company belongs. An ongoing efficient management policy of conflicts of interests shall ensure the respect of the primacy of Unitholders' interests.

Use of strategy indices

21.37 Investors should note that strategy indices calculated and published by entities of the BNP Paribas Group may be used. Those strategy indices may not be subject to any checks performed by entities outside of the BNP Paribas Group and the Management Company may provide various services for one or several strategy indices calculated and published by entities of the BNP Paribas Group and so potential conflicts of interest may exist. Moreover, the strategy indices exposition may be obtain through the conclusion of OTC Derivatives with counterparties also belonging to the BNP Paribas Group.

Risk associated with the physical and synthetic replication of an index

21.38 The replication of an index can be either physical or synthetic. Physical replication implies the holding of all or a representative sample, of the underlying securities that make up the index. Physical replication is reasonably straightforward and transparent. Physical replication can under certain circumstances provide access to many broad-based indexes, without the increased counterparty risk of synthetic replication. However, physical replication involves buying and selling index components and therefore is inherently more costly than synthetic replication and may also exhibit larger tracking error. Physical replication can result in full replication of all components of an index or in optimised (sample based) replication, the latter involving lower costs at a risk of a larger tracking error.

21.39 Synthetic replication relies on financial derivative instruments such as swaps to execute the investment strategy. The Sub-fund does not actually hold the underlying securities of the index, but instead relies on swaps to deliver the performance of the index. This may be achieved through total return (or unfunded swaps) and fully-funded swaps. Because it does not involve physically holding the securities, synthetic replication of an index can provide a means to in difficult-to-implement strategies that would otherwise be very costly and difficult to have access to with physical replication. Synthetic replication therefore involves lower costs than physical replication. Synthetic replication however involves counterparty risk. If the Sub-fund engages in OTC Derivatives, there is the risk – beyond the general counterparty risk – that the counterparty may default or not be able to meet its obligations in full.

Risk associated with the conclusion of temporary sales or purchases of securities with affiliated counterparties

21.40 When entering into EPM Techniques, the Fund may be led to conclude this type of transaction with counterparties affiliated to the group to which the Management Company belongs. In such cases, potential conflict of interest may exist. The implementation of an effective conflict of interest policy enables the Management Company to prioritise the interests of its clients in such cases.

Use of structured products

21.41 Structured finance securities include, without limitation, securitised credit and portfolio credit-linked notes.

21.42 Securitised credit is securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other underlying assets, either fixed or revolving. Such underlying assets may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Securitised credit can be structured in different ways, including "true sale" structures, where the underlying assets are transferred to a special purpose entity, which in turn issues the asset-backed securities, and "synthetic" structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the securitised credit.

21.43 Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets ("reference credits"). Upon the occurrence of a credit-related trigger event ("credit event") with respect to a reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

21.44 Securitised credit and portfolio credit-linked notes are usually issued in different tranches: Any losses realised in relation to the underlying assets or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

21.45 Accordingly, in the event that (a) in relation to securitised credit, the underlying assets do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the underlying assets or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Unit In addition the value of structured finance securities from time to time, and consequently the Net Asset Value per Unit, may be adversely affected by macro-economic factors such as adverse changes affecting the sector to which the underlying assets or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the underlying assets or reference credits. The degree to which any particular asset-backed security or portfolio credit-linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

21.46 Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign bonds which may affect their realisation value.

Fixed-interest securities

21.47 Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments. A decline in the value of a particular currency in comparison with the Reference Currency of the Fund would reduce the value of certain portfolio securities that are denominated in the former currency. The following risks may also be associated with fixed-interest securities:

21.48 Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world. The volume of trading, volatility of prices and liquidity of issuers may differ between the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies differs from one country to another. The laws of some countries may limit the Fund's ability to invest in securities of certain issuers.

21.49 Different markets also have different clearing and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Sub-fund is uninvested and no return is earned thereon. The inability of the Fund to make intended security purchases due to settlement problems could cause a Sub-fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Sub-fund due to subsequent declines in value of the portfolio security or, if a Sub-fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

21.50 An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, may fluctuate independently of each other.

High-yield securities

21.51 Sub-funds may invest in high-yield securities. Such securities are generally not exchange traded and, as a result, these instruments trade in a smaller secondary market than exchange-traded bonds. In addition, each Sub-fund may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments (neither Sub-fund is required to hedge, and may choose not to do so). High-yield securities that are below investment grade or unrated face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

Equities

21.52 The risks associated with investments in equity (and equity-type) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Potential investors should also consider the risk attached to fluctuations in exchange rates, possible imposition of exchange controls and other restrictions.

Financial failure of intermediaries

21.53 There is always the possibility that the institutions, including brokerage firms and banks, with which the Sub-funds do business, or to which securities have been entrusted for custodial purposes, will encounter financial difficulties that may impair their operational capabilities or result in losses to the Fund.

Specific restrictions in connection with the Units

21.54 Investors should note that there may be restrictions in connection with the subscription, holding and trading in the Units. Such restrictions may have the effect of preventing the investor from freely subscribing, holding or transferring the Units. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription Amount or due to the fact that certain Sub-funds may be closed to additional subscriptions after the Initial Subscription Period or Initial Subscription Date.

Taxation

21.55 Unitholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Sub-fund, capital gains within a Sub-fund, whether or not realised, income received or accrued or deemed received within a Sub-fund etc., and this will be according to the laws and practices of the country where the Units are purchased, sold, held or redeemed and in the country of residence or nationality of the Unitholder.

21.56 Unitholders should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Sub-fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in a Sub-fund in relation to their direct investments, whereas the performance of a Sub-fund, and subsequently the return Unitholders receive after redemption of the Units, might partially or fully depend on the performance of underlying assets. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

21.57 Unitholders who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, Unitholders should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

21.58 Pursuant to an agreement between the Government of the Grand Duchy of Luxembourg and the United States the Fund may need to collect and disclose information about its investors to third parties, including the Luxembourg tax authorities, for the purpose of onward transmission to the U.S. Internal Revenue Service. The information disclosed may include (but is not limited to) the identity of investors and their direct or indirect beneficiaries, beneficial owners and controlling persons. An investor will therefore be required to comply with any reasonable request from the Fund for such information, to allow the Fund to comply with such information reporting requirements. Prospective investors should refer to the subscription documentation as the case maybe for further information.

Change of law

21.59 The Fund must comply with regulatory constraints, such as a change in the laws affecting the Investment Restrictions and limits applicable to UCITS, which might require a change in the Investment Policy and Investment Objective followed by a Sub-fund.

Lack of operating history

21.60 The Fund will be a newly formed entity, with no operating history upon which to evaluate the Fund's (or its Sub-funds') likely performance. There is no guarantee that the Fund or any Sub-fund will realise its Investment Objective, that the investments will have low correlation with each other or that Unitholders will receive any return on, or the return of, their invested capital.

Political factors

21.61 The performance of the Units or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

Risk of contamination or cross liability between Classes

21.62 Although there is a contractual and accounting allocation of assets and liabilities to the Classes, there is no legal segregation with respect to Classes of the same Sub-fund. Therefore, if the liabilities of a Class exceed its assets, creditors of said Class of the Sub-fund may seek to have recourse to the assets attributable to the other Classes of the same Sub-fund. As there is a contractual and accounting allocation of assets and liabilities without any legal segregation amongst Classes, a transaction relating to a Class could affect the other Classes of the same Sub-fund.

Risk linked to the Guarantee

21.63 The specific terms and conditions applicable to each Guarantee in respect of Protected Classes of a Sub-fund are fully described in the relevant Special Section. The Unitholders' attention is drawn to the fact that in some circumstances, the Guarantee can be early terminated by the Guarantor in certain circumstances or that in case of change in law, the level of the Guarantee can be reduced substantially.

Sustainability risk

21.64 Unmanaged or unmitigated sustainability risks can impact the returns of financial products. For instance, should an environmental, social or governance event or condition occur, it could cause an actual or potential material negative impact on the value of an investment. The occurrence of such event or condition may lead as well to the reshuffle of a Sub-fund investment strategy, including the exclusion of securities of certain issuers. Specifically, the likely impact from sustainability risks can affect issuers via a range of mechanisms including: 1) lower revenue; 2) higher costs; 3) damage to, or impairment of, asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific topics such as climate change, the chance of sustainability risks impacting the returns of financial products is likely to increase over longer-term time period.

Risk related to Environmental, Social, and Governance (ESG) investment

21.65 An extra-financial approach may be implemented in a different way by management companies when setting ESG investment management objectives for financial products, in particular in view of the absence of common or harmonized labels at European level. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may be based on metrics that may share the same name but have different underlying meanings. In evaluating a security based on the ESG and sustainability criteria, the Management Company may also use data sources provided by external ESG research providers. Given the evolving nature of extra-financial field, these data sources may for the time being be incomplete, inaccurate, unavailable or updated. Applying responsible business conduct standards as well as extra-financial criteria in the investment process may lead to the exclusion of securities of certain issuers. Consequently, the Sub-fund's performance may at times be better or worse than the performance of relatable funds that do not apply such standards. In addition, the proprietary methodologies used to take into account ESG non-financial criteria may be subject to reviews in the event of regulatory developments or updates that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

Risk related to a systematic allocation incorporating extra-financial criteria

21.66 Some systematic strategies use extra-financial filters and investment guidelines applied during periodic reshuffles. There is no guarantee that such extra-financial filter or guideline is applied at any moment. For instance, between two strategy reshuffles, if a company were deemed to not fulfill anymore an ESG constraint, it may be excluded only at the next reshuffle.

22. CONFLICTS OF INTERESTS

22.1 The Management Company, the Distributor(s), the Investment Manager, an Investment Adviser (if any), the Depositary and the Administrative Agent may, in the course of their business, have potential conflicts of interests with the Fund. Each of the Management Company, the Distributor(s), the Investment Manager, an Investment Adviser (if any), the Depositary and the Administrative Agent will have regard to their respective duties to the Fund and other persons when undertaking any transactions where conflicts or potential conflicts of interest may arise. In the event that such conflicts do arise, each of such persons has undertaken or will be requested by the Fund to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and the Unitholders are fairly treated.

22.2 The Management Company, the Distributor(s), the Investment Manager, an Investment Adviser (if any), the Depositary and the Administrative Agent and any of their respective subsidiaries, Affiliates, associates, agents, directors, officers, employees or delegates (together the **Interested Parties** and, each, an **Interested Party**) may:

- contract or enter into any financial, banking or other transaction with one another or with the Fund including, without limitation, investment by the Fund, in securities in any company or body any of whose investments or obligations form part of the assets of the Fund or any Sub-fund, or be interested in any such contracts or transactions;

- invest in and deal with Units, securities, assets or any property of the kind included in the property of the Fund for their respective individual accounts or for the account of a third party;

- act as counterparty to the derivative transactions or contracts entered on behalf of the Fund or act as index sponsor or calculation agent in respect of underlyings to which the Fund will be exposed via derivative transactions; and

- deal as agent or principal in the sale, issue or purchase of securities and other investments to, or from, the Fund through, or with, the Management Company, the Investment Manager or the Depositary or any subsidiary, Affiliate, associate, agent or delegate thereof.

22.3 Any assets of the Fund in the form of cash may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be undertaken with or through an Interested Party (provided it is licensed to carry out this type of activity).

22.4 There will be no obligation on the part of any Interested Party to account to Unitholders for any benefits so arising and any such benefits may be retained by the relevant party.

22.5 Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

22.6 Notwithstanding anything to the contrary herein and unless otherwise provided for in a Special Section for a particular Sub-fund, the Management Company, the Investment Manager or an Investment Adviser (if any) and their respective Affiliates may actively engage in transactions on behalf of other investment funds and accounts which involve the same securities and instruments in which the Sub-funds will invest. The Management Company, the Investment Manager or an Investment Adviser (if any) and their respective Affiliates may provide investment management/advisory services to other investment funds and accounts that have investment objectives similar or dissimilar to those of the Sub-funds and/or which may or may not follow investment programs similar to the Sub-funds, and in which the Sub-funds will have no interest. The portfolio strategies of the Management Company, the Investment Manager or an Investment Adviser (if any) and their respective Affiliates used for other investment funds or accounts could conflict with the transactions and strategies advised by the Management Company, the Investment Manager or an Investment Adviser (if any) in managing a Sub-fund and affect the prices and availability of the securities and instruments in which such Sub-fund invests.

22.7 The Management Company, the Investment Manager or an Investment Adviser (if any) and their respective Affiliates may give advice or take action with respect to any of their other clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of a Sub-fund. The Management Company, an Investment Manager or an Investment Adviser (if any) have no obligation to advise any investment opportunities to a Sub-fund which they may advise to other clients.

22.8 The Management Company, the Investment Manager or an Investment Adviser (if any) will devote as much of their time to the activities of a Sub-fund as they deem necessary and appropriate. The Management Company, the Investment Manager or an Investment Adviser (if any) and their respective Affiliates are not restricted from forming additional investment funds, from entering into other investment advisory/management relationships, or from engaging in other business activities, even though such activities may be in competition with a Sub-fund. These activities will not qualify as creating a conflict of interest.

22.9 Additional considerations relating to conflicts of interest may be applicable, as the case may be, for a specific Sub-fund as further laid down in the relevant Special Section.

SPECIAL SECTION 1 – THEAM QUANT FUNDS – EQUITY GLOBAL SDG CHAMPIONS PROTECTION 90%

This Special Section must be read in conjunction with the General Section of the Prospectus. This Special Section refers only to the Sub-fund THEAM QUANT FUNDS – Equity Global SDG Champions Protection 90% (the **Sub-fund**).

1. INVESTMENT OBJECTIVE AND INVESTMENT POLICY

1.1 The objective of the Sub-fund is to increase the value of its assets over the medium term by being exposed to a dynamic basket of equities listed on world developed markets, the components of which are chosen using a systematic selection method based on i) environmental, social and governance (**ESG**) criteria, ii) contribution to the 17 Sustainable Development Goals (the **SDG**s) adopted on 25 September 2015 by the United Nations General Assembly and especially designed to end poverty, protect the planet and reduce inequality, and iii) companies financial robustness.

1.2 In addition, the Sub-fund benefits from a protection mechanism from the Guarantor whereby, on each Valuation Day, the Net Asset Value per Unit of each Class is at least 90% of the Reference Net Asset Value per Unit of the Class, as defined and further described below under Section 3.

1.3 The Sub-fund will not invest more than 10% of its net assets in units or shares of UCITS or other UCIs.

2. STRATEGY

2.1 In order to achieve its investment objective, the Sub-fund implements a quantitative investment strategy (the **Strategy**) that takes long positions on a diversified basket composed of world developed markets equities (the **Equity Strategy**). Exposure to the Equity Strategy is variable and determined via the protection mechanism, as described below.

2.1 The objective of the Equity Strategy is to provide exposure to the performance of a notional basket of liquid worldwide companies that incorporate high ESG standards, while not being involved in disputable activities or critical controversies and displaying low implication in coal, oil and gas activities. The investment universe of the Strategy Index is composed of companies that as well are (i) either not continuing or (ii) phasing out practices that are widely considered as unsustainable. In addition, such companies shall meet satisfactory liquidity conditions and strong financial robustness criteria based upon fundamental features such as profitability, prospects or valuation to be included in the investment universe.

2.2 The incorporation of such ESG criteria, applied to the whole investment universe, follows a Best-in-class approach[3], i.e. that it selects only companies that meet defined ranking hurdle, and consists of excluding securities which do not meet minimum ESG Score Exclusion[2] requirements by sectors and in absolute terms leading to a Selectivity[2] approach excluding at least 33% of the reference universe composed of a broad and representative basket of worldwide stocks.

2.3 Then, the Equity Strategy implements an SDG Investing[2] approach. The Equity Strategy component weights are determined according to an optimisation algorithm which seeks to maximise the aggregate weight of shares that are Best-in-class SDGs contributors, so-called SDG Champions, through their involvement in sustainable products or their leading sustainable behaviour and progression in the matter. This optimisation of the Equity strategy, carried out after filtering the investment universe according to ESG, liquidity and financial robustness criteria, is applied according to the principal constraints of risk mitigation including an ex-ante tracking error below 3% with regards to the STOXX

[3] As defined in the Sections 3.43 to 3.51 “Sustainable Investment Policy” of the General Section

Global 1800 Net TR USD Index (Bloomberg code: SXW1V Index), sectorial and geographical diversification. The STOXX Global 1800 Net TR USD Index provides a broad yet liquid representation of the world's most developed markets with a fixed number of 1,800 components. Thee Equity Strategy may be exposed to equities that are not included in the STOXX Global 1800 Net TR USD Index.

2.4 The Equity Strategy is implemented via the use of the financial index (the Strategy Index) BNP Paribas Equity Global Goals World NTR Index (Bloomberg code: BNPIGGWN Index). The exposure to the index is consequently variable as well and determined via the protection mechanism**.** The index investment universe is composed of the equities listed on world developed markets. It is an index denominated in USD, calculated with net dividends reinvested. It is based on a systematic model developed by BNP Paribas and is rebalanced monthly using a specific algorithm. The rebalancing of the Strategy Index does not involve any cost. The administrator of the Strategy Index is BNP Paribas SA. For further information, investors are invited to consult the following website: https://indx.bnpparibas.com. The complete breakdown of this index and performance information are available on the same page. The index calculation method is available directly at https://indx.bnpparibas.com/nr/BNPIGGWN.pdf. Investors may obtain a paper version of the Strategy Index rulebook within one week on written request to BNP PARIBAS ASSET MANAGEMENT Europe - CIB STRATEGIES SALES SUPPORT - TSA 90007 - 92729 Nanterre CEDEX. E-mail: LIST.AMGPECIBSALESSUPPORT@bnpparibas.com.

2.5 The Equity Strategy may be exposed to eligible assets denominated in currencies other than the USD. Fluctuations in exchange rates between the USD and the other currencies may not be hedged and affect positively or negatively the Equity Strategy value.

However, the Sub-fund aims at hedging the Equity Strategy portfolio return (and not each underlying currency exposure) from the USD to EUR, the Reference Currency of the Sub-fund.

2.6 The protection mechanism associated to each Class consists in generating variable exposure to the performance of the Equity Strategy and to cash or Money Market Instruments on a basis at least equal to the level of protection. Exposure to the Equity Strategy is determined by carrying out an allocation using a quantitative mechanism and varies each day depending on both the performance of the Equity Strategy and the level of protection of each Class.

2.7 The Sub-fund will not make use of the increased diversification limits provided for in article 44 of the 2010 Act and further described under Sections 3.29 and 3.30of the General Section.

2.8 The Strategy is implemented either according to a Synthetic Replication Policy, through the conclusion of OTC Derivatives (including TRS) or in cash by partially investing directly in the basket of equities that make up the Strategy Index.

2.9 If the Strategy is implemented according to the Synthetic Replication Policy, the Sub-fund either (i) invests its assets in Transferable Securities or Money Market Instruments (the **Financing Assets**) and exchanges the performance of up to 100% of the Financing Assets through OTC Derivatives to gain partial exposure to the Equity Strategy or (ii) concludes an OTC Derivative with an initial exchange of the net proceeds of the issue of Units in order to gain partial exposure to the Equity Strategy. The use of TRS is done in accordance with the maximum and expected proportion of assets set out under Section 4.13 of the General Section. The Underlying Assets notably consist of the Strategy Index and cash or Money Market Instruments.

2.10 The Sub-fund may also invest in any other Transferable Securities and cash, and, within a limit of 10% of its NAV, in UCITS and/or other UCIs.

2.11 At the date of this prospectus, the indices used by the Sub-fund within the meaning of the Benchmarks Regulation, their administrator as well as their registration status in the list held with ESMA, in accordance with article 36 of the Benchmarks Regulation are described in Annex 1 to this Prospectus ("Information on the indices used within the meaning of the Benchmarks Regulation").

2.12 The Sub-fund may use EPM Techniques, in accordance with Section 4 of the General Section.

2.13 Information relating to SFDR and Taxonomy Regulation

The Sub-fund promotes environmental and/or social and governance characteristics in accordance with Article 8 of SFDR and it may have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX 3 OF THE PROSPECTUS.

A summary of the commitments is also available in Annex 2

3. GUARANTEE

3.1 Upon the launch of the Sub-fund, a Guarantee is issued by the Guarantor. The Guarantor guarantees to the Sub-fund that the Net Asset Value per Unit of each Class is, on each Valuation Day, at least equal to ninety percent (90%) of the Reference Net Asset Value per Unit of the Class (the **Guaranteed Price**). In respect of Distribution Class, the Guaranteed Price is adjusted by any distributions made over the mentioned period.

3.2 In respect of each Class, the **Reference Net Asset Value** is equal to the maximum between (i) the Net Asset Value per Unit of the Class on the most recent date between the Class Launch Date and the last Business Day of the previous month of June on which stock exchanges are open during the whole day in France, United Kingdom, Germany, Sweden, Italy, Switzerland, the Netherlands, the United States, Japan and Australia (excluding Saturdays and Sundays and Luxembourg and French public holidays), and (ii) the highest Net Asset Value per Unit of the Class reached since the most recent date between the Class Launch Date and the previous 1st of July (included).

3.3 The Guarantee is effective during a period starting as of the Sub-fund Launch Date and remains in full force and effect until (and including) the last Valuation Day of June of the year after the year of the Sub-fund Launch Date (the **Termination Date**), but the Guarantee will automatically be extended until the date (the **Extended Termination Date**) which is the first anniversary date of either (i) the Termination Date (in respect of the first extension), or (ii) the preceding Extended Termination Date (in respect of any subsequent extension) except in case of prior termination of the Guarantee by the Guarantor or the Management Company. A notification of termination of the Guarantee must be notified in writing to the other party twelve (12) months before each anniversary date (the **Termination Notification**). There is a cost linked to the conclusion of an OTC Derivative enabling the Sub-fund to ensure the protection features.

3.4 Unitholders are thus ensured that, until the Termination Date, in respect of any redemption request made to the Sub-fund in respect of the relevant Class, the redemption price of their Units will be at least equal to the Guaranteed Price (less a Redemption Fee, as applicable). **If the Guarantee is not extended by the Guarantor, Unitholders will cease to benefit from the Guarantee as from the Valuation Day immediately following the Extended Termination Date. Unitholders will be duly informed by the Management Company at the latest one month after the Termination Notification if the Guarantor does not opt for an extension of the Guarantee or if the Management Company terminates the Guarantee.**

3.5 The Guarantee is granted for a maximum outstanding Units of 5,000,000.00. This amount could be increased, subject to the prior consent of the Guarantor and the Management Company. Beyond these maximum outstanding Units of 5,000,000.00, the Management Company will not accept further subscription or conversions of Units.

3.6 The Guarantee may however be (i) reduced or (ii) terminated early as further described in the last paragraph of Sections 3.11 to 3.13 of the General Section.

4. GLOBAL EXPOSURE

The Sub-fund uses the commitment approach to monitor its global exposure.

5. BUSINESS DAY - VALUATION DAY

For the purpose of this Special Section, a **Valuation Day** means a Business Day on which stock exchanges are open during the whole day in France, United Kingdom, Germany, Sweden, Italy, Switzerland, the Netherlands, the United States, Japan and Australia (excluding Saturdays and Sundays and Luxembourg and French public holidays).

6. LAUNCH DATE

The Sub-fund has been launched the 18th of December 2020.

7. CLASSES

The following Classes(1), once activated, will be available for subscription by investors:

Class	Distribution policy	ISIN code	Reference Currency	Dividend	Target subscribers	Minimum Holding Amount[2]	Initial Net Asset Value
Protected C	DIS	LU2231862462	EUR	Yes	All	None	EUR 100
Protected C	ACC	LU2231862546	EUR	No	All	None	EUR 100
Protected C USD H	ACC	LU2231862629	USD	No	All	None	USD 100
Protected C USD H	DIS	LU2231862892	USD	Yes	All	None	USD 100
Protected Privilege	DIS	LU2231862975	EUR	Yes	Distributors[4], Portfolio Managers, All	EUR 1,000,000 Portfolio Managers or Distributors[4]: None	EUR 100
Protected Privilege	ACC	LU2231863197	EUR	No	Distributors[4], Portfolio Managers, All	EUR 1,000,000 Portfolio Managers or Distributors[4]: None	EUR 100
Protected I	DIS	LU2231863270	EUR	Yes	Institutional Investors	EUR 100,000 UCI: none	EUR 100
Protected I	ACC	LU2231863353	EUR	No	Institutional Investors	EUR 100,000 UCI: none	EUR 100
Protected I USD	ACC	LU2231863437	USD	No	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD	DIS	LU2231863510	USD	Yes	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD H	ACC	LU2231863601	USD	No	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD H	DIS	LU2231863783	USD	Yes	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected J	ACC	LU2231863866	EUR	No	Institutional Investors	EUR 10 million[3]	EUR 100

						UCI: None	
Protected J	DIS	LU2231863940	EUR	Yes	Institutional Investors	EUR 10 million(3) UCI: None	EUR 100
Protected J USD H	ACC	LU2231864088	USD	No	Institutional Investors	EUR 10 million or equivalent(3) UCI: None	USD 100

(1) Each one of the above Classes may only be activated with prior approval of the Management Company.

(2) The applicable Minimum Holding Amount may be waived or varied on a case-by-case basis, by the Management Company.

(3) Regarding J Units, minimum subscription conditions are assessed on the basis of the total investment, irrespective of currency.

(4) Distributors which provide only fee-based independent advisory services as defined by the Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments, with respect to distributors that are incorporated in the European Economic Area.

8. FEES AND COSTS

8.1 Subscription Fee, Conversion Fee and Redemption Fee

Class	Subscription Fee (maximum)	Conversion Fee (maximum)(1)	Redemption Fee (maximum)
Protected C Units	3.00%	1.50%	None
Protected I Units	0.00%	1.50%	None
Protected J Units	0.00%	1.50%	None
Protected Privilege Units	3.00%	1.50%	None

(1) In the event of conversion to a sub-fund with a higher subscription fee, the difference may be payable.

8.2 Annual fees and costs payable by the Sub-fund

Class	Management Company Fee (maximum)	Distribution Fee (maximum)	Performance Fee	Other Fees (maximum)	*Taxe d'abonnement*(1) (subscription tax)
Protected C Units	1.35%	No	No	0.35%	0.05%
Protected I Units	0.60%	No	No	0.25%	0.01%
Protected J Units	0.40%	No	No	0.15%	0.01%
Protected Privilege Units	0.70%	No	No	0.25%	0.05%

(1) In addition, the Sub-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.

9. SUBSCRIPTION AND REDEMPTION PROCESS

Initial subscriptions

9.1 The Initial Subscription Date of each of the Class is the Class Launch Date. Subscription requests for the Initial Subscription Date must be sent in writing to the Administrative Agent and be received by the Administrative Agent by 4.00 pm (CET) (the **Subscription Cut-Off Time**) at the latest on the day preceding the Initial Subscription Date.

9.2 Investors for which the subscription documents have been accepted on the Initial Subscription Date will be required to deliver to the account of the Depositary cleared funds for the full amount of their subscription pursuant to their subscription documents on the Initial Subscription Date. If the Depositary does not receive the funds in time the purchase order may be cancelled and the funds returned to the Investor without interest.

9.3 The investor will be liable for the costs of late or non-payment in which case the Management Company will have the power to redeem all or part of the Investor's holding of Units in the Sub-fund (if any) in order to meet such costs. In circumstances where the Management Company at its absolute discretion regards it not practical or feasible to recoup a loss from an applicant for Units, any losses incurred by the Sub-fund due to late or non-payment of the subscription proceeds in respect of subscription applications received will be borne by the Sub-fund.

Ongoing subscriptions – Subscription Cut-off Time

9.4 After the Initial Subscription Date of a Class, subscriptions can be made on any Valuation Day. Subscription requests in respect of a Valuation Day can be made to the Administrative Agent before 4.00 pm (CET) at the latest on the day preceding the relevant Valuation Day (the **Subscription Cut-off Time**).

Redemptions – Redemption Cut-off Time

9.5 Redemptions can be made on any Valuation Day. Redemption requests for Units in part or in whole in respect of a Valuation Day can be made to the Administrative Agent before 4.00 pm (CET) at the latest on the day preceding the relevant Valuation Day (the **Redemption Cut-off Time**).

9.6 Payment of the redemption proceeds will be made generally 3 Business Days following the relevant Valuation Day.

10. REFERENCE CURRENCY AND HEDGING

The Reference Currency of the Sub-fund is the EUR.

11. PROFILE OF THE TYPICAL INVESTOR

Each Investor in the Sub-fund shall understand and evaluate the Strategy, characteristics and risks of the Sub-fund in order to make an informed investment decision. The Sub-fund is suitable for Investors who have an investment horizon of 4 years.

12. SPECIFIC RISK FACTORS

12.1 Investors should refer to the risk factors set out in Section 21 of the General Section and are in particular invited to consider the following risk factors further described in Section 21 of the General Section:

(a) Equities;

(b) Market volatility;

(c) Exchange rate risk;

(d) Conflicts of interest;

(e) Use of financial derivative instruments;

(f) Synthetic replication;

(g) Physical replication;

(h) Risk linked to the Guarantee;

(i) Risk related to ESG investment;

(j) Risk related to a systematic allocation incorporating extra-financial criteria.

12.2 In addition, Investors should carefully review the following risks disclaimer that are specific to the Sub-fund:

Risks related to the model used by the Strategy Index

12.3 The model used to determine the allocation of the Strategy Index is based on fundamental criteria designed to identify the stocks benefitting from good ESG performance and allowing for improvement of the SDGs criteria of the resulting basket of equities. There is a risk that the model will not be efficient as there is no guarantee that the indicators defined will be relevant in the future. They are defined partly on the basis of historical data and there is nothing to guarantee that previous market situations will repeat themselves in the future.

Applying selective SDG criteria in the optimisation algorithm which seeks to maximise the aggregate weight of shares that are best in class SDGs is a significant mean to select the best contributors according to their involvement in sustainable products or their leading sustainable behaviour and progression in the matter. Additional allocation criteria, such as liquidity, financial robustness, or being correlated to the STOXX Global 1800 Net TR USD Index may lead however to a percentage of allocation of such best in class SDG contributors below the one in the STOXX Global 1800 Net TR USD Index even though on average it is expected to be significantly higher.

Risks related to the protection mechanism

12.4 The protection mechanism implemented linked to the Guarantee involves that if the Net Asset Value per Unit of each Class falls, the levels of protection will also be reduced accordingly. There is thus a risk that investors may lose almost all of their capital if they hold their Units for a long period.

Risk of default of the Guarantor

12.5 Unitholders' attention is drawn to the fact that they are exposed to the risk of default of the Guarantor.

SPECIAL SECTION 2 – THEAM QUANT FUNDS – WORLD CLIMATE NAVIGATOR 90% PROTECTED

This Special Section must be read in conjunction with the General Section of the Prospectus. This Special Section refers only to the THEAM Quant Funds – World Climate Navigator 90% Protected (the **Sub-fund**).

1. INVESTMENT OBJECTIVE AND INVESTMENT POLICY

1.1 The objective of the Sub-fund is (i) to increase the value of its assets over the medium term by being exposed to a dynamic basket of global equities, the components of which are chosen using a systematic selection method based on environmental, social and governance criteria (**ESG**) as well as carbon emission and energy transition criteria and companies financial robustness.

1.2 In addition, the Sub-fund benefits from a protection mechanism from the Guarantor whereby, on each Valuation Day, the Net Asset Value per Unit of each Class is at least 90% of the Reference Net Asset Value per Unit of the Class (as defined below under Section 3.2), as further described below.

1.3 The Sub-fund will not invest more than 10% of its net assets in units or shares of UCITS or other UCIs.

2. STRATEGY

2.1 In order to achieve its investment objective, the Sub-fund implements a quantitative investment strategy (the **Strategy**) that takes variable positions on a dynamic basket (the "**Dynamic Basket**") consisting itself in a long exposure to global equities (the **Equity Strategy**) to which is applied a systematic risk control mechanism which aims at keeping the Dynamic Basket annualized volatility at a target level of 5%. As a result, within the Dynamic Basket, the exposure to the Equity Strategy is adjusted on a daily basis with an allocation up to a 100% and the remainder, if any, is exposed to government bonds and/or money-market rates or cash.

2.2 The overall exposure to the Dynamic Basket is variable and determined via the protection mechanism as described below.

2.3 The objective of the model used to build the Equity Strategy is to provide exposure to the performance of a basket of liquid ESG responsible worldwide companies that are appealing from low carbon emission and energy transition perspectives. The investment universe of the Equity Strategy is composed of worldwide companies offering satisfactory liquidity conditions, meeting strong financial robustness criteria and considered for high ESG performance, while not being involved in disputable activities or critical controversies and displaying low implication in coal, oil and gas activities. The investment universe of the Equity Strategy is as well only composed of companies which are (i) either not continuing or (ii) phasing out practices that are widely considered as unsustainable.

2.4 The incorporation of such ESG criteria, applied to the whole Equity Strategy investment universe, follows a Best-in-class[4] approach, i.e. selects only companies that meet defined ranking hurdle, and consists of including (i) securities which meet minimum ESG Score[1] requirements by sectors and in absolute terms leading to a Selectivity[1] approach excluding of at least 25% of the reference universe composed of a broad and representative basket of worldwide stocks and (ii) among emission-intensive companies, only the companies with the

[4] As defined in the Sections 3.43 to 3.51 "Sustainable Investment Policy" of the General Section

best energy transition score, i.e. with the best long-term strategy of structural changes in energy systems relating to sectors and risks.

2.5 The Equity Strategy component weights are then determined following a Thematic Investing[1] approach via an optimisation algorithm which seeks to maximise the Equity Strategy energy transition score. The optimisation is applied according to the principal constraints of risk mitigation, carbon footprint less than or equal to 50% of the carbon footprint of the world developed initial market capitalisation-weighted reference investment universe, or of sectorial diversification, while also conducting a control on the deviation of the portfolio compared to the STOXX Global 1800 Net Return USD Index, with the objective of a controlled tracking error of up to 5%. The STOXX Global 1800 Net Return USD Index provides a broad yet liquid representation of the world's most developed markets with a fixed number of 1,800 components and commonly serves as investment universe reference of the world developed equity market. It does not apply sustainable investment criteria. For further information, investors are invited to consult the following website: https://www.stoxx.com/rulebooks

2.6 The Equity Strategy may be exposed to eligible assets denominated in currencies other than the Sub-fund's Reference Currency. Fluctuations in exchange rates may not be hedged at the Equity Strategy level and affect positively or negatively its value.

However, the Sub-fund aims at hedging the Equity Strategy portfolio return (and not each underlying currency exposure) from the USD to EUR, the Reference Currency of the Sub-fund.

2.7 The Equity Strategy is implemented via the use of the financial index BNP Paribas Equity World Climate Care NTR Index (the **Equity Strategy Index**). It is an index denominated in USD, calculated with net dividends reinvested. It is based on a quantitative model developed by BNP Paribas and is rebalanced quarterly using a specific algorithm. The ESG criteria mentioned in the Sections 2.3, 2.4 and 2.5 above are embedded in the Equity Strategy Index. The rebalancing of the model does not involve any cost for the Equity Strategy Index. The administrator is BNP Paribas SA. For further information, investors are invited to consult the following website: https://indx.bnpparibas.com. The complete breakdown and performance information are available on the same page. The index calculation method is available directly at: https://indx.bnpparibas.com/nr/BNPIEWCC.pdf. Investors may obtain a paper version of the Equity Strategy Index rulebook within one week on written request to BNP PARIBAS ASSET MANAGEMENT Europe - CIB STRATEGIES SALES SUPPORT - TSA 90007 - 92729 Nanterre CEDEX. E-mail: list.amgpesalessupport@bnpparibas.com.

2.8 The protection mechanism associated to each Class enables to protect at least 90% of the Reference Net Asset Value per Unit of each Class since inception as described in 3.2, and consists in generating variable exposure to the performance of the Dynamic Basket with the combination of a long exposure to the Dynamic Basket and of the purchase of put options on the Dynamic Basket with a “lookback” feature, i.e. that the strike of the put is adjusted all along the put lifetime according to the protection mechanism. Put options on a given underlying asset are instruments used to protect against the drop of the underlying asset.

2.9 The overall exposure to the Dynamic Basket can be defined therefore as the combination of the directional exposure to the Dynamic Basket and of the sensitivity of the put options to the Dynamic Basket. It ranges overall from 0% to 100%. It varies each day depending, inter alia, on the performance of the Dynamic Basket, the cost of the put options and the distance to the level of protection of each Class. For instance, all other things being equal, the lower the cost of the put options, the more the Sub-fund may be exposed to the Dynamic Basket. Conversely, the higher the cost, the less the Sub-fund may be exposed to the Dynamic Basket. Also, the further away from the protected level on the upside, the higher the exposure to the Dynamic Basket, and conversely.

At inception, the put option has an initial maturity of two and a half (2.5) years. An initial long-term maturity enables the Sub-fund to benefit from a first long window of opportunity (the "**Initial Protection Period**" or "**IPP**") for the Strategy to rebound. If, during the IPP, the Strategy reaches a new maximum level, the maturity of the put is extended automatically up to two and a half more years starting from the day this new maximum level is reached. Otherwise, at the end of the IPP, the maturity may or may not be extended, depending on market conditions and in particular on the performance of the Strategy and the distance to the protected level. As the case may be, each time the put maturity is extended, it extends accordingly the protection period (the "**Extended Protection Period**") during which or at the end of which same rules of extension as aforementioned apply, defining new subsequent Extended Protection Periods as long as conditions are met. **In case the IPP or any subsequent Extended Protection Period can no longer be extended, the Sub-fund will be exposed only to money-market positions until the Sub-fund is terminated as further described under Section 17 of the General Section.**

2.10 The Sub-fund will not make use of the increased diversification limits provided for in article 44 of the 2010 Act and further described under Section 3.29 and 3.30 of the General Section.

2.11 The Strategy is implemented either according to a Synthetic Replication Policy, through the conclusion of OTC Derivatives (including TRS) or in cash by partially investing directly in the basket of equities that make up the Equity Strategy. .

2.12 If the Strategy is implemented according to the Synthetic Replication Policy, the Sub-fund will either (i) invest its assets in Transferable Securities or Money Market Instruments (the **Financing Assets**) and exchange the performance of up to 100% of the Financing Assets through OTC Derivatives to gain partial exposure to the Equity Strategy or (ii) conclude an OTC Derivative with an initial exchange of the net proceeds of the issue of Units in order to gain partial exposure to the Equity Strategy. The use of TRS will be done in accordance with the maximum and expected proportion of assets set out under Section 4.13 of the General Section. The Underlying Assets notably consist of the components of the Dynamic Basket and of puts on the Dynamic Basket. Before any investment, all assets of the portfolio are evaluated on their degree of sustainability.

2.13 At the date of this prospectus, the indices used by the Sub-fund within the meaning of the Benchmarks Regulation, their administrator as well as their registration status in the list held with ESMA, in accordance with article 36 of the Benchmarks Regulation are described in Annex 1 ("Information on the indices used within the meaning of the Benchmarks Regulation").

2.14 The Sub-fund may use EPM Techniques, in accordance with Section 4 and, in particular, paragraph 4.13 of the General Section.

2.15 Information relating to SFDR and Taxonomy Regulation

The Sub-fund promotes environmental and/or social and governance characteristics in accordance with Article 8 of SFDR and it may have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX 3 OF THE PROSPECTUS.

A summary of the commitments is also available in Annex 2

3. GUARANTEE

3.1 Upon the launch of the Sub-fund, a Guarantee is issued by the Guarantor. The Guarantor guarantees to the Sub-fund that the Net Asset Value per Unit of each Class is, on each Valuation Day, and either (i) until the last Valuation Day of the Sub-fund or (ii) until the Termination Date (or the Extended Termination Date if any, as described below) or (ii) until at most one month after the Valuation Day on which the Sub-fund becomes only exposed to money-market positions as the case may be (the "**Monetarization Day**") as described in 2.9, at least equal to ninety percent 90% of the Reference Net Asset Value per Unit of the Class (the **Guaranteed Price**). In respect of Distribution Class, the Guaranteed Price is adjusted by any distributions made over the mentioned period.

3.2 In respect of each Class, the **Reference Net Asset Value** is equal to the maximum Net Asset Value per Unit of the Class reached until either the last Valuation Day of the Sub-fund or the Termination Date (or the Extended Termination Date if any) or at most one month after the **Monetarization Day** as the case may be.

3.3 The Guarantee is effective during a period starting as of the Sub-fund Launch Date and remains in full force and effect until (and including) the last Valuation Day of the IPP (the "**Termination Date**"). At the latest two months before the end of the Guarantee, the Guarantor may decide to extend it for an additional year by a prior express agreement if the conditions to ensure the protection features are met until the date (the "**Extended Termination Date**") which is the first anniversary date of either (i) the Termination Date (in respect of the first extension), or (ii) the preceding Extended Termination Date (in respect of any subsequent extension). There is a cost linked to the conclusion of an OTC Derivative enabling the Sub-fund to ensure the protection features assessed around 0.50% p.a. on average.

3.4 Unitholders are thus ensured that, until the Termination Date (or the Extended Termination Date if any) or at most one month after the Monetarization Day as the case may be, in respect of any redemption request made to the Sub-fund in respect of the relevant Class, the redemption price of their Units will be at least equal to the Guaranteed Price (less a Redemption Fee, as applicable). **If the Guarantee is not extended by the Guarantor, Unitholders will cease to benefit from the Guarantee at the earliest between the Termination Date (or the Extended Termination Date if any) and one month after the Monetarization Day as the case may be and Subscriptions will be suspended. Following the Termination Date (or the Extended Termination Date if any) or at most one month after the occurrence of a Monetarization Day as the case may be, the Sub-fund will only be exposed to money-market positions until the Sub-fund is terminated. Unitholders will be duly informed by the Management Company thanks to a notice published on the Management Company website as soon as possible and at the latest (15) days before the cessation of the Guarantee as the case may be and the Sub-fund will be liquidated according to the Section 17 of the General Section.**

3.5 The Guarantee is granted for a maximum outstanding Units of 5,000,000. This amount could be increased, subject to the prior consent of the Guarantor and the Management Company. Beyond these maximum outstanding Units of 5,000,000, the Management Company will not accept further subscription or conversions of Units.

3.6 The Guarantee may however be (i) reduced or (ii) terminated early as further described in the last paragraph of Section 3.11 to 3.13 of the General Section.

4. GLOBAL EXPOSURE

The Sub-fund uses the commitment approach to monitor its global exposure.

5. BUSINESS DAY - VALUATION DAY

For the purpose of this Special Section, a **Valuation Day** means a Business Day on which the France, United Kingdom, Finland, Germany, Belgium, the Netherlands, the United States, Canada, Japan and Australia stock exchanges are open during the whole day (excluding Saturdays and Sundays and Luxembourg and French public holidays).

6. MINIMUM NET ASSET VALUE

For the purpose of Section 17.10 of the General Section, the Minimum Net Asset Value applicable for the Sub-fund is EUR 20,000,000

7. LAUNCH DATE

The Sub-fund is not yet launched at the date of this prospectus. It will be launched upon the decision of the Management Company.

8. CLASSES

The following Classes[1], once activated, will be available for subscription by investors:

Class	Distribution policy	ISIN code	Reference Currency	Dividend	Target subscribers	Minimum Holding Amount[2]	Initial Net Asset Value
Protected C	DIS	LU2356204300	EUR	Yes	All	None	EUR 100
Protected C	ACC	LU2356204482	EUR	No	All	None	EUR 100
Protected C USD H	ACC	LU2356204565	USD	No	All	None	USD 100
Protected C USD H	DIS	LU2356204649	USD	Yes	All	None	USD 100
Protected Privilege	DIS	LU2356204995	EUR	Yes	Distributors[4], Portfolio Managers, All	EUR 1,000,000 Portfolio Managers or Distributors[4]: None	EUR 100
Protected Privilege	ACC	LU2356205026	EUR	No	Distributors[4], Portfolio Managers, All	EUR 1,000,000 Portfolio Managers or Distributors[4]: None	EUR 100
Protected I	DIS	LU2356205299	EUR	Yes	Institutional Investors	EUR 100,000 UCI: none	EUR 100
Protected I	ACC	LU2356205372	EUR	No	Institutional Investors	EUR 100,000 UCI: none	EUR 100
Protected I USD	ACC	LU2356205455	USD	No	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD	DIS	LU2356205539	USD	Yes	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD H	ACC	LU2356205612	USD	No	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected I USD H	DIS	LU2356205703	USD	Yes	Institutional Investors	EUR 100,000 or equivalent / UCI: None	USD 100
Protected J	ACC	LU2356205885	EUR	No	Institutional Investors	EUR 10 million[3] UCI: None	EUR 100
Protected J	DIS	LU2356205968	EUR	Yes	Institutional Investors	EUR 10 million[3] UCI: None	EUR 100
Protected J USD H	ACC	LU2356206008	USD	No	Institutional Investors	EUR 10 million or equivalent[3] UCI: None	USD 100

(1) Each one of the above Classes may only be activated with prior approval of the Management Company.
(2) The applicable Minimum Holding Amount may be waived or varied on a case-by-case basis, by the Management Company.
(3) Regarding J Units, minimum subscription conditions are assessed on the basis of the total investment, irrespective of currency.
(4) Distributors which provide only fee-based independent advisory services as defined by the Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments, with respect to distributors that are incorporated in the European Economic Area.

9. FEES AND COSTS

9.1 Subscription Fee, Conversion Fee and Redemption Fee

Class	Subscription Fee (maximum)	Conversion Fee (maximum)(1)	Redemption Fee (maximum)
Protected C Units	3.00%	1.50%	None
Protected I Units	0.00%	1.50%	None
Protected J Units	0.00%	1.50%	None
Protected Privilege Units	3.00%	1.50%	None

(1) In the event of conversion to a sub-fund with a higher subscription fee, the difference may be payable.

9.2 Annual fees and costs payable by the Sub-fund

Class	Management Company Fee (maximum)	Distribution Fee (maximum)	Performance Fee	Other Fees (maximum)	*Taxe d'abonnement*(1) (subscription tax)
Protected C Units	1.35%	No	No	0.35%	0.05%
Protected I Units	0.60%	No	No	0.20%	0.01%
Protected J Units	0.40%	No	No	0.15%	0.01%
Protected Privilege Units	0.70%	No	No	0.25%	0.05%

(1) In addition, the Sub-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.

10. SUBSCRIPTION AND REDEMPTION PROCESS

Initial subscriptions

10.1 The Initial Subscription Date of each of the Class is the Class Launch Date. Subscription requests for the Initial Subscription Date must be sent in writing to the Administrative Agent and be received by the Administrative Agent by 4.00 pm (CET) (the **Subscription Cut-Off Time**) at the latest on the day preceding the Initial Subscription Date.

10.2 Investors for which the subscription documents have been accepted on the Initial Subscription Date will be required to deliver to the account of the Depositary cleared funds for the full amount of their subscription pursuant to their subscription documents on the Initial Subscription Date. If the Depositary does not receive the funds in time the purchase order may be cancelled and the funds returned to the Investor without interest.

10.3 The investor will be liable for the costs of late or non-payment in which case the Management Company will have the power to redeem all or part of the Investor's holding of Units in the Sub-fund (if any) in order to meet such costs. In circumstances where the Management Company at its absolute discretion regards it not practical or feasible to recoup a loss from an applicant for Units, any losses incurred by the Sub-fund due to late or non-payment of the subscription proceeds in respect of subscription applications received will be borne by the Sub-fund.

Ongoing subscriptions – Subscription Cut-off Time

10.4 After the Initial Subscription Date of a Class, subscriptions can be made on any Valuation Day. Subscription requests in respect of a Valuation Day can be made to the Administrative

Agent before 4.00 pm (CET) at the latest on the day preceding the relevant Valuation Day (the **Subscription Cut-off Time**).

Redemptions – Redemption Cut-off Time

10.5 Redemptions can be made on any Valuation Day. Redemption requests for Units in part or in whole in respect of a Valuation Day can be made to the Administrative Agent before 4.00 pm (CET) at the latest on the day preceding the relevant Valuation Day (the **Redemption Cut-off Time**).

10.6 Payment of the redemption proceeds will be made generally 3 Business Days following the relevant Valuation Day.

11. REFERENCE CURRENCY AND HEDGING

The Reference Currency of the Sub-fund is the EUR.

12. PROFILE OF THE TYPICAL INVESTOR

Each Investor in the Sub-fund shall understand and evaluate the Strategy, characteristics and risks of the Sub-fund in order to make an informed investment decision. The Sub-fund is suitable for Investors who have an investment horizon of 3 years.

13. SPECIFIC RISK FACTORS

13.1 Investors should refer to the risk factors set out in Section 21 of the General Section and are in particular invited to consider the following risk factors further described in Section 21 of the General Section:

(a) Equities;

(b) Market volatility;

(c) Exchange rate risk;

(d) Conflicts of interest;

(e) Use of financial derivative instruments;

(f) Synthetic replication;

(g) Risk linked to the Guarantee;

(h) Risk related to ESG investment;

(i) Risk related to a systematic allocation incorporating extra-financial criteria.

In addition, Investors should carefully review the following risks disclaimer that are specific to the Sub-fund:

Risks related to the model used by the Equity Strategy

12.2 The model used to determine the allocation of the Equity Strategy is based on fundamental criteria designed to identify the stocks benefitting from good ESG performance and allowing to maximise the energy transition criteria of the resulting basket of shares. There is a risk that the model will not be efficient as there is no guarantee that the indicators defined will be relevant in the future. They are defined partly on the basis of historical data and there is nothing to guarantee that previous market situations will repeat themselves in the future.

Risk of default of the Guarantor

12.4 Unitholders' attention is drawn to the fact that they are exposed to the risk of default of the Guarantor.

Risks related to the volatility and protection mechanisms

12.5 Due to the volatility control and the protection mechanisms implemented, the exposure to the Equity Strategy may be limited and therefore the extent to which environmental or social characteristics of the investment objective are met may be reduced.

12.6 The put maturity extension mechanism is based on a new maximum level reached by the Strategy common to all unit classes and not by each individual NAV per Unit. In some specific circumstances and while maintaining the protection mechanism, this may lead to timing discrepancies between the occurrences of maximum reached by the Strategy and by the NAV per Units even though their overall behaviour are almost equivalent.

ANNEX 1 – INFORMATION ON THE INDICES USED WITHIN THE MEANING OF THE BENCHMARKS REGULATION

At the date of this Prospectus, the indices used by the Sub-funds within the meaning of the Benchmarks Regulation, their administrator as well as their registration status in the list held with the European Securities and Markets Authority (ESMA) (hereinafter the **Register**), in accordance with article 36 of the Benchmarks Regulation are listed in the tables below.

This Register provides a list with the identities of all (i) administrators located in the Union which have been authorised or registered pursuant to Article 34 of the Benchmarks Regulation, (ii) administrators located outside the Union that comply with the conditions laid down in Article 30(1) of the Benchmarks Regulation, (iii) administrators located outside the Union that acquired recognition in accordance with Article 32 of the Benchmarks Regulation, (iv) administrators located outside the Union which provide benchmarks that are endorsed in accordance with the procedure laid down in Article 33 of the Benchmarks Regulation and supervised entities endorsing benchmarks in accordance with Article 33 of the Benchmarks Regulation. According to Article 36 of the Benchmarks Regulation, the ESMA has to establish and maintain a public Register that contains the consolidated list that is provided in this Register.

The Register has been set up by the ESMA on the basis of information provided by Member States in accordance with the procedure laid down in Article 34(7), Article 32(7) and Article 33(3) of the Benchmarks Regulation. Therefore, the national competent authorities are responsible for the content of this database regarding Article 34, Article 32 and Article 33 of the Benchmarks Regulation.

Administrators listed below neither registered yet nor authorised benefit from the transitional period ending on 1 January 2020 for administrators located in the European Union and on 1 January 2022 for administrators located outside the European Union. The information set-out below will be updated at the occasion of the next update of this Prospectus.

Sub-fund THEAM QUANT FUNDS - EQUITY GLOBAL SDG CHAMPIONS PROTECTION 90%		
Index name	**Administrator**	**Administrator status**
BNP Paribas Equity Global Goals World NTR Index	BNP Paribas SA	Registered under Art.34
STOXX Global 1800 Net TR USD Index	Stoxx Limited	Recognised under Art. 32

Sub-fund THEAM QUANT FUNDS – WORLD CLIMATE NAVIGATOR 90% PROTECTED		
Index name	**Administrator**	**Administrator status**
BNP Paribas Equity World Climate Care NTR Index	BNP Paribas SA	Registered under Art.34
STOXX Global 1800 Net TR USD Index	Stoxx Limited	Recognised under Art. 32

ANNEX 2 – SUMMARY OF PRE-CONTRACTUAL DISCLOSURES FOR THE PRODUCTS REFERRED TO IN ARTICLES 8 AND 9 OF SFDR AND ARTICLE 5 AND 6 OF THE TAXONOMY REGULATION

Name of the Sub-fund	SFDR Category	Minimum proportion of sustainable investments in the meaning of SFDR[5]	To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?		Does this financial product consider principal adverse impacts on sustainability factors?
			Minimum percentage of investments aligned with the EU Taxonomy including sovereign bonds	Minimum Share of investments in transitional and enabling activities	
Equity Global SDG Champions Protection 90%	Article 8	0%	0%	0%	Yes
World Climate Navigator 90% Protected	Article 8	0%	0%	0%	Yes

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[5] Minimum proportion determined by the Management Company as of the date of the Prospectus

ANNEX 3 – PRE-CONTRACTUAL DISCLOSURES FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF SFDR AND ARTICLE 6, FIRST PARAGRAPH, OF THE TAXONOMY REGULATION AND IN ARTICLE 9, PARAGRAPHS 1 TO 4A, OF SFDR AND ARTICLE 5, FIRST PARAGRAPH, OF THE TAXONOMY REGULATION.

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

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

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

Product name: THEAM QUANT FUNDS – EQUITY GLOBAL SDG CHAMPIONS PROTECTION 90% Legal entity identifier: 213800NKKT3JZJBNXY90

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: ___%	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of sustainable investments with a social objective: ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to :
  - Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

- A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC) policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the Financing Assets underlying securities.

The BNP Paribas Equity Global Goals World NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

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

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

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's reference benchmark economic exposure compliant with the RBC policy;
- The percentage of the financial product's reference benchmark economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);
- The minimum percentage of the financial product's reference benchmark economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;
- The percentage of the financial product's reference benchmark economic exposure in "sustainable investments" as defined in Article 2 (17) of SFDR.

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

The financial product does not commit to a minimum proportion of sustainable investment.

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

The financial product does not commit to a minimum proportion of sustainable investment.

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

Not applicable.

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

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

✖ Yes, the product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

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

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their ESG profile is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the Financing Assets underlying securities.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer),the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions

2. Carbon footprint

3. GHG intensity of investee companies

4. Exposure to companies active in the fossil fuel sector

5. Share of non-renewable energy consumption and production

6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water

9. Hazardous waste ratio

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

12. Unadjusted gender pay gap

13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNPP AM SFDR disclosure statement: [sustainability risk integration and Principal Adverse Impacts considerations](#).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

The objective of the Sub-fund is to increase the value of its assets over the medium term by being exposed to a dynamic basket of equities listed on world developed markets, the components of which are chosen using a systematic selection method based on i) environmental, social and governance (ESG) criteria, ii) contribution to the 17 Sustainable Development Goals (the SDGs) adopted on 25 September 2015 by the United Nations General Assembly and especially designed to end poverty, protect the planet and reduce inequality, and iii) companies financial robustness.

In addition, the Sub-fund benefits from a protection mechanism from the Guarantor whereby, on each Valuation Day, the Net Asset Value per Share of each Class is at least 90% of the Reference Net Asset Value per Share of the Class, as defined below.

For each Class, the Reference Net Asset Value per Share of the Class is equal to the maximum between (i) the Net Asset Value per Share of the Class on the most recent date between the Class Launch Date and the last Business Day of the previous month of June on which stock exchanges are open during the whole day in France, United Kingdom, Germany, Sweden, Italy, Switzerland, the Netherlands, the United States, Japan and Australia (excluding Saturdays and Sundays and Luxembourg and French public holidays), and (ii) the highest Net Asset Value per Share of the Class reached date between the Class Launch Date and the previous 1st of July (included).

In order to achieve its investment objective, the Sub-fund implements a quantitative investment strategy (the Strategy) that takes long positions on a diversified basket composed of liquid world developed markets equities (the Equity Strategy) that incorporate high ESG standards and meet strong financial robustness criteria.The application of ESG criteria, such as, but not limited to, energy efficiency, respect of human and workers' rights or board of directors independence, follows a "best-in-class" and "selectivity" approach which aims to select the leading companies in their sector by excluding at least one third of the securities from the initial investment universe of the Equity Strategy.

Exposure to the Equity Strategy is variable and determined via the protection mechanism.

Then, the Equity Strategy components weights are determined according to an optimisation algorithm which seeks to maximise the aggregate weight of shares that are best in class SDGs contributors according to Vigeo Eiris, so-called SDG Champions, through their involvement in sustainable products or their leading sustainable behaviour and progression in the matter. This optimisation is applied according to the principal constraints of risk mitigation including an ex-ante tracking error below 3% with regards to the STOXX Global 1800 Net TR USD Index (Bloomberg code: SXW1V Index), sectorial and geographical diversification. The STOXX Global 1800 Net TR USD Index provides a broad yet liquid representation of the world's most developed markets with a fixed number of 1,800 components. The Equity Strategy may be exposed to equities that are not included in the STOXX Global 1800 Net TR USD Index.

Applying selective SDG criteria in the optimisation algorithm as well as other allocation criteria, such as liquidity, financial robustness, or being correlated to the STOXX Global 1800 Net TR USD Index may lead to a percentage of allocation of such best-in-class SDG contributors below the one in the STOXX Global 1800 Net TR USD Index even though on average it is expected to be significantly higher.

There may be other methodological limitations such as the Risk related to ESG investment or the Risk related to a systematic allocation incorporating extra-financial criteria.

The Equity Strategy is implemented via the use of the financial index (the Strategy Index) BNP Paribas Equity Global Goals World NTR Index (Bloomberg code: BNPIGGWN Index). The exposure to the index is consequently variable as well and determined via the protection mechanism. The index investment universe is composed of the equities listed on world developed markets. The Strategy Index is based on a systematic model developed by BNP Paribas and is rebalanced monthly using an optimisation algorithm. The rebalancing of the Strategy Index does not involve any cost for the Strategy Index. The complete breakdown of the Strategy Index is available on the website: https://indx.bnpparibas.com. The index calculation method is available directly at: https://indx.bnpparibas.com/nr/BNPIGGWN.pdf

The Strategy of the Sub-fund is deemed active. The Sub-fund does not have any benchmark for performance comparison purpose.

The Strategy is implemented either according to a Synthetic Replication Policy, through the conclusion of OTC Derivatives or in cash by partially investing directly in the basket of equities that make up the Equity Strategy. The Synthetic Replication Policy implies that the Sub-Fund does not actually hold the underlying securities of the Equity Strategy, but instead relies on OTC Derivatives to partially deliver its performance.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this financial product as described below are systematically integrated throughout the investment process.

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

  - The financial product reference benchmark investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

    More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

  - The financial product reference benchmark investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.

  - The financial product's reference benchmark investment universe of the investment strategy shall be reduced by a minimum of 33% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

    There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two strategy reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the reference benchmark administrator rules.

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

  The financial product's reference benchmark economic exposure investment universe is reduced by a minimum of 33% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

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

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

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
- Financial expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistle-blower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

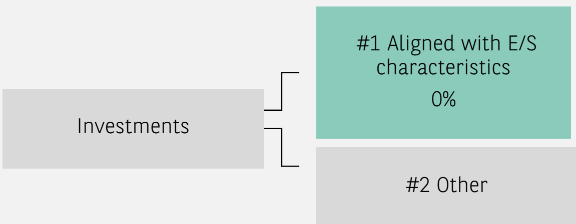
Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the asset allocation planned for this financial product, as well as any minimum proportion described below, are the ones of the underlying portfolio of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

Given the variable exposure to the reference benchmark in relation to the protection mechanism and the market conditions, the proportion of such investments used to meet the environmental or social characteristics promoted by the financial product will be between 0% and the maximum allocation to the reference benchmark enabled by the investment strategy. Within the reference benchmark itself, the minimum proportion of investments used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy, will be 90%. The exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report. The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'Financing Assets'), performance of which s swapped against the performance of the investment strategy, respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable.

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

☐ Yes:

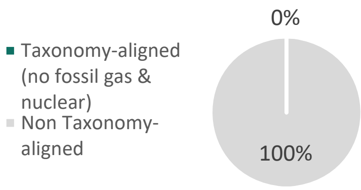
☐ In fossil gas ☐ In nuclear energy

☒ No

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***

This graph represents 100% of the total investments

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

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

  Not applicable.

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

The remaining proportion of the investments may include:

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

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

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

The BNP Paribas Equity Global Goals World NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

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

  The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the portfolio of the investment strategy of the financial product is implemented via the use of the reference benchmark.

  The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two strategy reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the reference benchmark administrator rules.

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

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to get exposed to the performance of an equity portfolio implemented via the use of the reference benchmark.

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

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

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

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com/nr/BNPIGGWN.pdf.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

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

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

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

Product name: THEAM QUANT FUNDS – WORLD CLIMATE NAVIGATOR 90% PROTECTED   Legal entity identifier: 2138001MH9W6BTQKPW11

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: ___%	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of sustainable investments with a social objective: ___%	☒ It promotes E/S characteristics, but will not make any sustainable investments

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

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using ESG external and/or internal proprietary methodology(ies). As such, the product is exposed to issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The investment strategy selects issuers through:

- A positive screening using a selectivity approach. This involves evaluation of Environmental, Social, and Governance (ESG) performance of an issuer against a combination of environmental, social and governance factors which include but not limited to :
  - Environmental: energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
  - Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

- A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC) policy.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights, according to the Stewardship policy, where applicable.

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the Financing Assets underlying securities.

The BNP Paribas Equity World Climate Care NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

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

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

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's reference benchmark economic exposure compliant with the RBC policy;
- The percentage of the financial product's reference benchmark economic exposure covered by the ESG analysis based on external and/or ESG proprietary methodology(ies);
- The minimum percentage of the financial product's reference benchmark economic exposure investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC policy and/or any other extra financial criteria;
- The average carbon footprint of the financial product's reference benchmark economic exposure compared to the average carbon footprint of its investment universe, as defined in the Prospectus;
- The percentage of the financial product's reference benchmark economic exposure in "sustainable investments" as defined in Article 2 (17) of SFDR.

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

The financial product does not commit to a minimum proportion of sustainable investment.

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

The financial product does not commit to a minimum proportion of sustainable investment..

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

Not applicable.

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

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

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

✖ Yes, the product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the investment manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and the construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Policy, Engagement and Voting Policy and include the following:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;
- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.
- Ensuring all securities included in the portfolio have supportive ESG research.
- Managing portfolios so that their ESG profile is better than the relevant benchmark or universe

In synthetic replication, engagement with issuers and exercise of voting rights, if any, are only applied for the Financing Assets underlying securities.

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

☐ No

What investment strategy does this financial product follow?

The objective of the product is (i) to increase the value of its assets over the medium term by being exposed to a dynamic basket of global equities, the components of which are chosen using a systematic selection method based on environmental, social and governance criteria (ESG) as well as carbon emission and energy transition criteria and companies financial robustness.

In addition, the product benefits from a protection mechanism from the Guarantor whereby, on each Valuation Day, the Net Asset Value per Unit of each Class is at least 90% of the maximum Net Asset Value per Unit of the Class since inception.

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

In order to achieve its investment objective, the product implements a quantitative investment strategy (the Strategy) that takes variable positions on a dynamic basket (the "Dynamic Basket") consisting itself in a long exposure to global equities (the Equity Strategy) to which is applied a systematic risk control mechanism which aims at keeping the Dynamic Basket annualized volatility at a target level of 5%. As a result, within the Dynamic Basket, the exposure to the Equity Strategy is adjusted on a daily basis with an allocation up to a 100% and the remainder, if any, is exposed to government bonds and/or money-market rates or cash.

The overall exposure to the Dynamic Basket is variable and determined via the protection mechanism as described below.

The objective of the model used to build the Equity Strategy is to provide exposure to the performance of a basket of liquid ESG responsible worldwide companies that are appealing from low carbon emission and energy transition perspectives. The investment universe of the Equity Strategy is composed of worldwide companies offering satisfactory liquidity conditions, meeting strong financial robustness criteria and considered for high ESG performance.

The incorporation of such ESG criteria, such as, but not limited to, energy efficiency, respect of human and workers' rights or board of directors independence, follows a "best-in-class" and "selectivity" approach which aims to select the leading companies in their sector by excluding at least 25% of the securities from the initial investment universe.

The Equity Strategy component weights are then determined following a Thematic Investing approach via an optimisation algorithm which seeks to maximise the Equity Strategy energy transition score according to the principal constraints of risk mitigation, carbon footprint less than or equal to 50% of the carbon footprint of the world developed initial market capitalisation-weighted reference investment universe, or of sectorial diversification, while also conducting a control on the deviation of the portfolio compared to the STOXX Global 1800 Net Return USD Index, with the objective of a controlled tracking error of up to 5%. The STOXX Global 1800 Net Return USD Index provides a broad yet liquid representation of the world's most developed markets. It does not apply sustainable investment criteria. For further information, investors are invited to consult the following website: https://www.stoxx.com/rulebooks.

The protection mechanism enables to protect at least 90% of the maximum Net Asset Value per Unit of the Class since inception, and consists in generating variable exposure between 0% and 100% to the performance of the Dynamic Basket with the combination of a long exposure to the Dynamic Basket and of the purchase of put options on the Dynamic Basket with a "lookback" feature, i.e. that the strike of the put is adjusted all along the put lifetime according to the protection mechanism.

At inception, the put option has an initial maturity of two and a half (2.5) years. An initial long-term maturity enables the product to benefit from a first long window of opportunity (the "Initial Protection Period" or "IPP") for the Strategy to rebound. If, during the IPP, the Strategy reaches a new maximum level, the maturity of the put is extended automatically up to two and a half more years starting from the day this new maximum level is reached. Otherwise, at the end of the IPP, the maturity may or may not be extended, depending on market conditions and in particular on the performance of the Strategy and the distance to the protected level. As the case may be, each time the put maturity is extended, it extends accordingly the protection period (the "Extended Protection Period") during which or at the end of which same rules of extension as aforementioned apply, defining new subsequent Extended Protection Periods as long as conditions are met. In case the IPP or any subsequent Extended Protection Period can no longer be extended, the product will be exposed only to money-market positions and the product will be liquidated.

An extra-financial strategy may comprise methodological limitations such as the risk related to ESG investment or the risk related to a systematic allocation incorporating extra-financial criteria.

The Equity Strategy is implemented via the use of the financial index (the Equity Strategy Index) BNP Paribas Equity World Climate Care NTR Index (Bloomberg code: BNPIEWCC Index). The Equity Strategy Index is based on a systematic model developed by BNP Paribas and is rebalanced quarterly using an optimisation algorithm. The ESG criteria mentioned above are embedded in the Equity Strategy Index The rebalancing of the Strategy Index does not involve any cost for the Strategy Index. The complete breakdown of the Strategy Index is available on the website: https://indx.bnpparibas.com. The index calculation method is available directly at: https://indx.bnpparibas.com/nr/BNPIEWCC.pdf

The Strategy of the product is deemed active. The product does not have any benchmark for performance comparison purpose.

The Strategy is implemented either according to a Synthetic Replication Policy, through the conclusion of OTC Derivatives or in cash by partially investing directly in the basket of equities that make up the Equity Strategy. The Synthetic Replication Policy implies that the product does not actually hold the underlying securities of the Strategy, but instead relies on OTC Derivatives to deliver its performance.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this financial product as described below are systematically integrated throughout the investment process.

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

- The financial product reference benchmark investment strategy shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

- The financial product reference benchmark investment strategy shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the proprietary and/or external ESG methodology.
- The financial product's reference benchmark investment universe of the investment strategy shall be reduced by a minimum of 25% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.
- The financial product's reference benchmark economic exposure shall have a weighted average carbon footprint at least 50% lower than the weighted average carbon footprint of its investment universe, as defined in the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two strategy reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the reference benchmark administrator rules.

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

The financial product's reference benchmark economic exposure investment universe is reduced by a minimum of 25% due to exclusion of securities with low ESG score and/or sector exclusions as per the RBC Policy and/or other extra-financial criteria.

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

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

The BNPP AM ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
- Financial expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistle-blower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

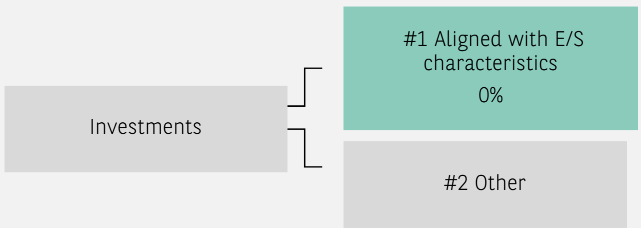
Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

As of the date of the prospectus, the financial product applies synthetic replication. Consequently, the asset allocation planned for this financial product, as well as any minimum proportion described below, are the ones of the underlying portfolio of the financial derivative instruments such as Total Return Swaps (TRS) used on a continuous basis for achieving the investment policy.

Given the variable exposure to the reference benchmark in relation to the protection mechanism and the market conditions, the proportion of such investments used to meet the environmental or social characteristics promoted by the financial product will be between 0% and the maximum allocation to the reference benchmark enabled by the investment strategy. Within the reference benchmark itself, the minimum proportion of investments used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy, will be 90%. The exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report. The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

In synthetic replication, financial derivative instruments such as Total Return Swaps (TRS) are used on a continuous basis for achieving the investment policy which promotes environmental or social characteristics while ensuring that the securities physically held by the financial product (the 'Financing Assets'), performance of which is swapped against the performance of the investment strategy, respect minimum extra-financial safeguards.

Synthetic replication is a framework where the TRS counterparty hedges its position and thus brings liquidity to all or a significant part of the ESG underlyings.

Financial derivative instruments may also be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance

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

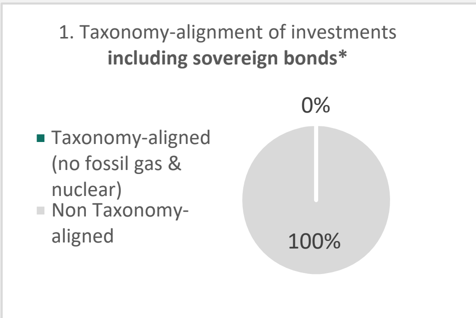
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

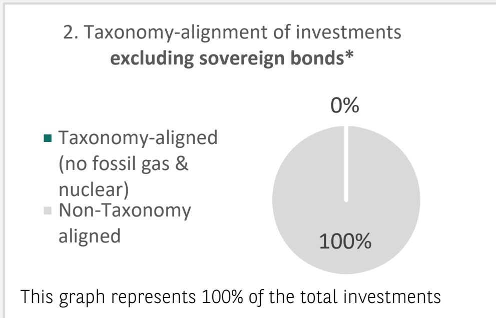
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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





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

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

Not applicable.

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

The remaining proportion of the investments may include:

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

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

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

The BNP Paribas Equity World Climate Care NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

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

  The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the portfolio of the investment strategy of the financial product is implemented via the use of the reference benchmark.

  The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

  However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two strategy reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the reference benchmark administrator rules.

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

  The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to get exposed to the performance of an equity portfolio implemented via the use of the reference benchmark.

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

  The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

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

The methodology used for the calculation of the reference benchmark can be found at: https://indx.bnpparibas.com/nr/BNPIEWCC.pdf.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.