



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

**FUND PROSPECTUS**  
**BNP PARIBAS OBLI ETAT ISR**

**MUTUAL FUND UNDER EUROPEAN DIRECTIVE 2009/65/EC**

## I – GENERAL CHARACTERISTICS

### I.1 – FORM OF THE UCITS

**NAME:** BNP PARIBAS OBLI ETAT ISR

**LEGAL FORM AND MEMBER STATE IN WHICH THE UCITS WAS ESTABLISHED:** French Mutual Fund (Fonds Commun de Placement) governed by common law and incorporated in France.

**INCEPTION DATE AND INTENDED LIFETIME:** THE FUND was launched on 10 March 1993 for a term of 99 years and authorised by the Autorité des marchés financiers (AMF) on 2 March 1993

**FUND OVERVIEW:**

UNITS	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	FRACTIONING OF UNITS	MINIMUM SUBSCRIPTION AMOUNT
"Classic C" unit class	FR0010130765	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors	Thousandths	One thousandth of a unit or the equivalent amount
"Classic D" unit class	FR0010130773	<u>Net income:</u> Distribution  <u>Net realised capital gains:</u> Accumulation				
"I" unit class	FR0010077156	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors  Mainly legal entities.	Thousandths	<u>Initial:</u> EUR 180,000 or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit
"Privilege C" unit class	FR0013289543	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors	Thousandths	<u>Initial:</u> EUR 180,000* or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit
				For subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate		One thousandth of a unit or the equivalent amount

"Privilege D" unit class	FR0013373644	<u>Net income:</u> Distribution  <u>Net realised capital gains:</u> Accumulation	EUR	All investors	Thousandths	<u>Initial:</u> EUR 180,000 or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit
				For investors advised by independent advisers as defined by MiFID II (1) and managed under mandate		One thousandth of a unit
"B" unit class	FR0013386885	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	Unit reserved for subscriptions by the following UCITS:  - BNP Paribas B Strategy - BNP Paribas B Invest - Generalpart 1 World Sustainable - BNP Paribas Sustainable Multi-Asset sub-funds of the BNP Paribas Funds SICAV	Thousandths	One thousandth of a unit or the equivalent amount

\* With the exception of the Management Company or any entity of the BNP Paribas Group.

(1) Distributors from member countries of the European Economic Area only (or exclusively) providing independent advisory services as defined by MiFID 2004/39.

**ADDRESS FROM WHICH THE LATEST ANNUAL AND INTERIM REPORTS MAY BE OBTAINED:**

The prospectus, the key investor information documents and the latest annual and interim documents will be sent within eight business days of receipt of a written request to:

BNP PARIBAS ASSET MANAGEMENT France – Service Client  
TSA 90007, 92729 Nanterre CEDEX, France

These documents are also available online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com)

If required, further information can be obtained from branches of BNP PARIBAS.

The AMF's website ([www.amf-france.org](http://www.amf-france.org)) provides additional information on the list of regulatory documents and all of the provisions relating to investor protection.

## I.2 – ADMINISTRATIVE AGENTS

**MANAGEMENT COMPANY:**

**BNP PARIBAS ASSET MANAGEMENT France**

A simplified joint-stock company (Société par actions simplifiée)

Registered office: 1, boulevard Haussmann – 75009 Paris, France

Postal address: TSA 90007 – 92729 Nanterre CEDEX, France

A portfolio Management Company authorised by the AMF on 19 April 1996 under no. GP 96002

**DEPOSITARY AND CUSTODIAN:**

**BNP PARIBAS**

A limited company (Société anonyme)

Registered office:

16, boulevard des Italiens, 75009 Paris, France

Office address: Grands Moulins de Pantin

9, rue du Débarcadère, 93500 Pantin, France

Credit institution authorised by the French Prudential Supervision and Resolution Authority, the Autorité de contrôle prudentiel et de résolution.

The duties of the depositary are: custody of the assets, checking that the Management Company's decisions are lawful, and monitoring the Fund's cash flow. Potential conflicts of interest may exist, particularly if BNP Paribas has a commercial relationship with the management company in addition to its role as depositary for the Fund. This may be the case if BNP Paribas provides fund administration services to the Fund, including calculation of the net asset value.

In countries where it has no local presence, the depositary delegates the custody of assets held abroad to local sub-custodians. The remuneration of sub-custodians is levied from the fees paid to the depositary and no additional costs are charged to unitholders for this function. The process for appointing and overseeing sub-custodians conforms to the highest quality standards, including the management of the potential conflicts of interest that could arise in connection with such assignments. The list of sub-custodians is available at the following address: <http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html>

The Management Company will send up-to-date information concerning the above points to unitholders on written request.

**CLEARING HOUSE FOR  
SUBSCRIPTION AND REDEMPTION ORDERS**

**BNP PARIBAS ASSET MANAGEMENT France**

**DELEGATED CLEARING HOUSE FOR  
SUBSCRIPTION AND REDEMPTION  
ORDERS:**

**BNP PARIBAS**

**DELEGATED ISSUER ACCOUNT  
REGISTRAR:**

**BNP PARIBAS**

**STATUTORY AUDITOR:**

**PRICEWATERHOUSECOOPERS AUDIT**

63, rue de Villiers – 92200 Neuilly-sur-Seine, France

Represented by Mr Amaury Couplez

**PROMOTER:**

**BNP PARIBAS**

A French limited company (Société anonyme)

16, boulevard des Italiens, 75009 Paris, France

And BNP Paribas Group companies

The Fund's units are registered on Euroclear France, and they may therefore be subscribed to or redeemed through financial intermediaries not known to the Management Company.

**FINANCIAL MANAGEMENT DELEGATED TO:**

**BNP PARIBAS ASSET MANAGEMENT UK Ltd**

Registered office: 5 Aldermanbury Square – London EC2V 7BP

Portfolio Management Company authorised by the Financial Conduct Authority.

This delegation of financial management covers the management of the Fund's residual cash.

**DELEGATED ACCOUNTING MANAGER:****BNP PARIBAS**

A limited company (Société anonyme)

Registered office: 16, boulevard des Italiens, 75009 Paris, France

Office address: Grands Moulins de Pantin

9, rue du Débarcadère, 93500 Pantin, France

The delegated fund accounting manager provides administrative functions (accounting, net asset value calculation) for the Fund.

**ADVISOR:**

None

## II. OPERATING AND MANAGEMENT PROCEDURES

### II.1 – GENERAL CHARACTERISTICS

**CHARACTERISTICS OF THE UNITS:****RIGHTS ATTACHED TO THE UNIT CLASS:**

Each unitholder has a co-ownership right to the Fund's assets, proportional to the number of units held.

**VOTING RIGHTS:**

As this is a mutual investment fund, no voting rights are attached to the units; decisions are taken by the Management Company.

However, unitholders will be notified of changes to the operation of the Fund either individually, in the press or by any other means that conforms to the provisions of the AMF Instruction no. 2011-19.

**TYPE OF UNITS:**

Registered or bearer.

**FRACTIONING:**

The Fund's units are issued in thousandths of a unit.

**FINANCIAL YEAR-END:**

Last stock exchange trading day in March.

First financial year: last stock exchange trading day of March 1994.

**INFORMATION ABOUT TAXATION:****PREVAILING TAX SYSTEM:**

The Fund is not subject to corporation tax. However, distributions and capital gains or losses are taxable when remitted to unitholders.

The tax system applicable to amounts distributed by the Fund and to the Fund's realised or unrealised capital gains or losses depends on the tax provisions applicable to the investor's specific situation and/or the jurisdiction in which the Fund is invested.

Investors are advised to pay close attention to all aspects specific to their situation. Investors who have any concerns about their tax situation should consult a tax advisor.

## II.2 – SPECIAL PROVISIONS

<b>ISIN CODES:</b>	“Classic C” unit class:	FR0010130765
	“Classic D” unit class:	FR0010130773
	“I” unit class:	FR0010077156
	“Privilege C” unit class:	FR0013289543
	“Privilege D” unit class:	FR0013373644
	“B” unit class:	FR0013386885

**CLASSIFICATION:** Bonds and other debt securities denominated in euros

**MANAGEMENT OBJECTIVE:**

The Fund's management objective is to obtain, over the recommended investment period of more than three years, a performance that is equal to that of sovereign bonds denominated in euro, by investing in securities from issuers who incorporate good governance and sustainable development criteria into their operations.

**BENCHMARK INDEX:**

This type of management does not require a benchmark index but for information purposes, the Fund's performance may be compared retrospectively to that of the Bloomberg Euro Aggregate Treasury Bond Index 500 M benchmark index, with coupons reinvested.. This index is defined, calculated and published by Bloomberg Index Services Limited. It represents fixed-rate bonds denominated in euros issued by investment-grade eurozone Member States with a residual term of at least one year.

This index is available at [www.bloomberg.com/professional/product/indices/](http://www.bloomberg.com/professional/product/indices/).

Bloomberg Index Services Limited is the administrator of the Index. It has not been recorded in the register of administrators and benchmark indices kept by the European Securities and Markets Authority.

The Management Company has a procedure for monitoring the benchmark indices used, which describes the measures to be implemented in the event of substantial changes being made to an index or if the index should cease to be provided.

**INVESTMENT STRATEGY:**

**1. STRATEGY USED TO ACHIEVE THE MANAGEMENT OBJECTIVE:**

The bond investment management process consists of four phases:

- 1<sup>st</sup> phase: the bond committee identifies the main focuses of the bond management policy, in terms of sensitivity to interest rates and positioning on the yield curve.

The bond committee bases its recommendations on the conclusions of BNP PARIBAS ASSET MANAGEMENT France's monthly “macroeconomic” committee meetings. This committee is comprised of all management staff and macroeconomic research managers at BNP PARIBAS ASSET MANAGEMENT France.

- 2<sup>nd</sup> phase: non-financial analysis is taken into account in the investment process. It involves incorporating an SRI approach into the selection of securities, as defined below.
- 3<sup>rd</sup> phase: bond management managers then determine the rate scenarios for risk allocation in terms of target sensitivity and country risk exposure.
- 4<sup>th</sup> phase: on the basis of the above considerations, the bond management team selects the financial instruments held in the portfolio.

**Socially Responsible Investment (SRI) Strategy:**

The investment process first integrates quantitative information which, according to the Management Company's analysis, classifies the States and identifies those with the best ESG ratings.

The management team then takes qualitative criteria into account, in particular when assessing the governance of the institutions.

In order to be included in the portfolio, the selected issuers must comply with the following ESG standards:

- Compliance with sector-specific policies on controversial activities (application of the Responsible Business Conduct Policy of BNP PARIBAS ASSET MANAGEMENT France, available on its website);
- The exclusion of issuers that breach at least one of the Ten Principles of the United Nations Global Compact (human rights, labour law, environment and anti-corruption) and/or the OECD Guidelines for Multinational Enterprises;
- Exclusion of issuers with the poorest ESG practices within each business sector. The Fund follows a Best-in-Class approach.

The Fund invests at least 90% of its net assets in the securities of issuers that have been analysed for their ESG criteria by a dedicated team of ESG analysts from the Management Company. The Fund follows a selective approach, resulting in a reduction of at least 20% in the investment universe which is defined as the Bloomberg Euro Aggregate Treasury Index 500 M.

A specialist team of ESG analysts evaluates each issuer according to internally defined ESG criteria. For example (non-exhaustive list):

- Environmental: energy efficiency, water (protection of water resources), and pollution (air, water, waste);
- Social: equal rights and anti-discrimination policy, equality in the workplace, access to education, and care services for the elderly;
- Corporate governance: civil rights, transparency and anti-corruption policy, freedom of the press and judicial independence.

Information on the Management Company's sustainable investment policy is available online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

The main methodological limitations are outlined in the "Risk Profile" section of the Fund prospectus.

Some companies appearing in the portfolio may have ESG practices that can be improved and/or may be exposed to certain sectors in which environmental, social or governance issues remain significant. Unlike other approaches, the Management Company selects the best issuers from each sector.

**Information relating to the SFDR and the EU Taxonomy Regulation:**

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 (SFDR) establishes the rules regarding transparency and the provision of sustainability-related information.

The Fund promotes environmental and/or social and governance characteristics in accordance with Article 8 of the SFDR and partially invests in sustainable investments within the meaning of this regulation.

A sustainable investment within the meaning of the SFDR consists of:

- an investment in an economic activity that contributes to an environmental objective, measured, for example, using key indicators regarding the efficient use of resources involving the use of energy, renewable energy, commodities, water and land, waste production and greenhouse gas emissions or effects on biodiversity and the circular economy, or

- an investment in an economic activity that contributes to a social objective, in particular investments that contribute to the fight against inequality or that promote social cohesion, social integration and working relationships, or
- an investment in human capital or economically or socially disadvantaged communities, provided that these investments do not cause extensive harm to any of these objectives and the companies in which investments are made follow good governance practices, in particular with regard to healthy management structures, dealings with staff, remuneration for skilled employees and compliance with tax obligations.

As part of its non-financial approach, the Management Company incorporates the risks associated with sustainable investment in its investment decisions. The extent and manner in which sustainable investment issues and risks are incorporated into its strategy will vary according to a number of factors such as asset class, geographical area and the financial instruments used.

The Management Company also takes into account the principal adverse impacts (PAI) on sustainability factors when managing the Fund, by applying its responsible business conduct and sector exclusions policy and/or other pillars of its sustainable investment approach. These are set out in the Management Company's adverse sustainability impacts transparency statement (the "PAI Statement").

PAIs are brought about by investment decisions that have adverse impacts on sustainability factors associated with environmental, social and personnel issues, respect for human rights, and the fight against bribery and corrupt practices.

Depending on the nature of the investments, the following key indicators are taken into account and addressed or mitigated when managing the Fund, as set out in the PAI Statement:

(i) Mandatory indicators that apply to investments in companies:

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 and radioactive 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. Diversity within governance bodies
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

(ii) Voluntary indicators that apply to investments in companies:

Environment:

- Investments in companies that have not taken action to reduce their carbon emissions

Social:

- Lack of a supplier code of conduct
- Lack of a human rights policy

(iii) Indicators that apply to investments in sovereign or supranational bonds.

- GHG intensity
- Investee countries subject to social violations

Further information can be found on the management company's website.



Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework for promoting sustainable investments (Taxonomy Regulation) aims to establish criteria for determining whether an economic activity is environmentally sustainable.

The European Taxonomy Regulation is a classification system that establishes a list of economic activities which are environmentally sustainable according to criteria established in view of the six climate and environmental objectives defined in this regulation.

The Fund does not commit to a minimum level of investment in economic activities that are considered environmentally sustainable within the meaning of the Taxonomy Regulation and that contribute to the environmental objectives of climate change mitigation and/or adaptation.

In accordance with the provisions of Article 8 of the SFDR and Article 6 of the Taxonomy Regulation, investors are informed of the following:

SFDR classification	Minimum proportion of sustainable investments within the meaning of the SFDR	To what extent are sustainable investments with an environmental objective aligned with the EU taxonomy?			Does this financial product take into account the principal adverse impacts on sustainability factors?
		Minimum percentage of investments aligned with the EU taxonomy <sup>1</sup> (including sovereign bonds)	Minimum proportion of investments in transition activities <sup>2</sup>	Minimum proportion of investments in enabling activities <sup>3</sup>	
Article 8	20%	0%	0%	0%	Yes

The management company is making efforts to improve its collection of taxonomy alignment data to ensure the accuracy and relevance of its information on this subject. Consequently, updates may subsequently be made to the prospectus.

The principle of "not causing extensive harm" as defined by Taxonomy Regulation only applies to the Fund's underlying investments that take account of the European Union criteria for environmentally sustainable economic activities. The underlying investments for the remaining portion of this Fund do not take into account the European Union criteria for environmentally sustainable economic activities as established by the Taxonomy Regulation.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily harmful to the environment or unsustainable. Furthermore, other activities that contribute substantially to the environmental and social objectives are not yet necessarily part of the Taxonomy Regulation.

<sup>1</sup> The management company relies on third-party data providers for this information.

<sup>2</sup> Transition activities are activities for which low-carbon alternatives do not yet exist and, inter alia, the greenhouse gas emission levels of which are the best they can be.

<sup>3</sup> Enabling activities directly enable other activities to make a substantial contribution to achieving an environmental objective.

**2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES):**

Sensitivity range	The UCITS is managed within an interest rate sensitivity range of between 0 and 10.
Geographical area of the issuers of securities to which the UCITS is exposed	Eurozone
Exposure ranges	At least two thirds invested in eurozone sovereign bonds

The Fund's portfolio is composed of the following asset classes and financial instruments:

- **EQUITIES:** None
- **DEBT SECURITIES AND MONEY MARKET INSTRUMENTS**

The Fund is mostly (over 50% of net assets) invested in interest-rate products denominated in euros and/or in currencies of the eurozone and issued by eurozone member states: fixed-rate and/or variable-rate and/or indexed bonds and negotiable debt securities and mainly (over two-thirds of net assets) in interest-rate products denominated in euros and/or in currencies of the eurozone and issued by eurozone member states and bonds guaranteed by eurozone member states.

The manager has internal methods for evaluating credit risk when selecting securities for the Fund and does not exclusively or systematically use the ratings issued by rating agencies. The ratings mentioned below are one of the factors used to assess the overall credit quality of an issue or issuer on which the manager bases their own convictions in terms of stock selection.

The securities may be rated BBB- (or an equivalent rating).

Moody's, Standard & Poor's and Fitch are the agencies which have been chosen for the definition of ratings. If the issue is rated by these three agencies, the median rating will be used, having excluded the lowest and the highest. If the issue is rated by two of these agencies, the lowest rating will be used. If it is rated by one agency, this rating will be used.

In the absence of any issue rating, the issuer's rating, of an equivalent risk level, will be used instead.

- **UNITS OR SHARES OF UCIS**

The Fund may invest up to 10% of its net assets:

- in units or shares of French, European or foreign UCITS and of French, European or foreign AIFs that may not invest more than 10% of their net assets in units or shares of other UCIs or investment funds,
- in units or shares of foreign investment funds that meet the four conditions of Article R. 214-13 of the French Monetary and Financial Code.

The UCIs or investment funds referred to above may be managed by BNP PARIBAS ASSET MANAGEMENT France or by companies affiliated to it.

**3. DERIVATIVES:**

The Fund may trade on French and/or foreign regulated or over-the-counter futures markets that are authorised by the Decree of 6 September 1989 and its later amendments (for financial instrument contracts only).

The Fund may invest in the following products on such markets:

- futures on interest rates, on government bonds (for hedging purposes and/or exposure)
- interest rate options (for hedging purposes and/or exposure)
- interest rate swaps (for hedging purposes and/or exposure)
- credit derivatives: credit default swaps (CDS) for hedging purposes and/or exposure. Credit risk is managed by anticipating changes in the credit spread between one or more sovereign issuers and/or by hedging the risk of default.

All these instruments will be used to hedge the portfolio against, or expose it to, interest rate and/or sovereign credit risks, and for arbitrage transactions.

The maximum investment in all these markets is 100% of the net assets of the UCITS. This commitment limit takes credit derivative positions into account and is calculated in accordance with the regulations applicable to the use of over-the-counter transactions.

The Fund will not use total return swaps.

As these financial instruments may be entered into with counterparties selected by the Management Company, these counterparties may therefore be companies affiliated to the BNP Paribas Group.

The eligible counterparty (counterparties) has (have) no influence over the composition or management of the Fund's portfolio.

#### **4. INSTRUMENTS WITH EMBEDDED DERIVATIVES:**

To achieve its management objective, the Fund may also invest in financial instruments with embedded derivatives (warrants, structured EMTNs, medium-term negotiable securities and structured bonds), in order to:

- hedge the portfolio against interest rate and/or sovereign credit risks,
- increase its exposure to sovereign credit and/or interest rate risks.

The maximum investment across all of these markets is 100% of the Fund's net assets.

#### **5. DEPOSITS:**

The Fund may place the equivalent of up to 100% of its net assets on deposit with one or more credit institutions.

#### **6. CASH BORROWINGS:**

In the normal course of operations, the Fund may have a temporary current account deficit and therefore need to borrow cash, subject to a limit of 10% of its net assets.

#### **7. TEMPORARY PURCHASES AND SALES OF SECURITIES:**

For cash management purposes, the Fund may, subject to a limit of 10% of its net assets and pursuant to the French Monetary and Financial Code, enter into reverse repurchase agreements.

To optimise the Fund's income and performance, the Fund may, up to a limit of 30% of its net assets and in accordance with the French Monetary and Financial Code, conduct temporary sales of securities (securities lending).

When carrying out securities lending, the Management Company will use an agent to identify securities lending transactions.

	Securities lending	Securities borrowing	Repurchase agreements	Reverse repurchase agreements
Maximum proportion of net assets	30%	none	10%	none
Expected proportion of net assets	28%	none	10%	none

These transactions will be entered into with counterparties selected by the Management Company from among those institutions whose registered office is located in an OECD or European Union member country referred to in Article R. 214-19 of the French Monetary and Financial Code. They may be conducted with companies affiliated to the BNP Paribas Group. The counterparties must have a good credit rating (equivalent to Investment Grade).

Further information about temporary purchases and sales of securities is provided in the Charges and Fees section.

**8. INFORMATION RELATING TO THE UCITS' COLLATERAL:**

To guard against counterparty default, temporary purchases and sales of securities and transactions on over-the-counter derivative instruments may involve the pledging of securities and/or cash as collateral, and the depositary will hold these securities and/or this cash in segregated accounts.

The eligibility of securities received as collateral is determined in accordance with investment constraints and according to a discount procedure determined by the Management Company's risk department. Securities received as collateral must be liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the Fund's net assets (with the exception of securities issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

<b>Assets</b>
<b>Cash (EUR, USD and GBP)</b>
<b>Interest rate instruments</b>
Securities issued or guaranteed by an eligible OECD member country The Fund may receive securities issued or guaranteed by an eligible member country of the OECD as collateral, to the extent of over 20% of its net assets. Therefore, the Fund may be fully guaranteed by securities issued or guaranteed by a single eligible member country of the OECD.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by a government of another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible member country of the OECD
Convertible bonds issued by a company whose registered office is located in an eligible member country of the OECD
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible member country of the OECD or in another eligible country.
<i>(1) UCITS managed by companies belonging to the BNP PARIBAS ASSET MANAGEMENT Holding Group only.</i>
<b>Eligible indices &amp; related shares</b>
<b>Securitisations(2)</b>

*(2) Subject to the approval of the BNP PARIBAS ASSET MANAGEMENT France Risk Department.*

Collateral other than in cash must not be sold, reinvested or pledged as security and is held by the depositary in a segregated account.

Collateral received in cash may be reinvested in accordance with AMF position no. 2013-06. Cash received may therefore be held on deposit, invested in high-quality government bonds, used in repurchase transactions or invested in short-term money market UCITS.

**COLLATERAL:**

In addition to the guarantees referred to in paragraph 8, the Management Company provides collateral on the Fund's assets (financial securities and cash) in favour of the depositary in respect of its financial obligations to the depositary.

**RISK PROFILE:**

The Fund is classified as a "bonds and other international debt securities" UCITS. Investors are therefore exposed to the following risks:

- interest rate risk: the risk of a decline in interest rate instruments arising from interest rate fluctuations. This is measured in terms of sensitivity. In periods of rising (positive sensitivity) or falling (negative sensitivity) interest rates, the net asset value may fall significantly.
- credit risk: this is linked to an issuer's ability to honour its debts and to the risk of an issue or issuer being downgraded, which may result in a drop in the value of the debt securities in which the Fund is invested.

- risk of capital loss: investors are advised that the Fund's performance may not be in line with its objectives and that the capital invested (after deduction of subscription fees) may not be recovered in full.
- risk associated with overexposure: Owing to the use of derivative products, the Fund's portfolio may be overexposed on the markets on which the manager trades up to a maximum of 100% of its net assets; this could increase the overall exposure of the Fund's portfolio to markets on which the manager trades 200% of the Fund's net assets. Depending on whether the UCITS' transactions are purchases or sales, the effect of a fall (if a position is bought) or of a rise in the underlying of the derivative (if a position is sold) may be amplified and lead to a greater fall in the net asset value of the UCITS.
- risk of a potential conflict of interests: This risk is associated with the conclusion of temporary purchases/sales of securities in which the Fund's agent, counterparty and/or financial intermediary is an entity linked to the group to which the Fund's Management Company belongs. In this case, there is a risk of conflicts of interest between the interests of the unitholders and those of the group to which the Management Company belongs. The Management Company has introduced a procedure for the management of any conflicts of interest in order to ensure that its unitholders' interests are given priority.
- counterparty risk: this risk is associated with the conclusion of contracts involving forward financial instruments (see the section on "Derivatives" above) or temporary purchases and sales of securities (see the section on "Temporary purchases and sales of securities" above) and results from the failure of a counterparty with whom a contract has been concluded to honour its commitments (e.g. payment or repayment), which may lead to a fall in the net asset value of the Fund.
- derivatives risk: the use of derivatives may cause the net asset value to fall significantly over short periods of time if exposure is in the opposite direction to market movements.
- risks linked to securities financing transactions and collateral management: unitholders may be exposed to a legal risk (in conjunction with the legal documentation, the enforcement of contracts and the limits thereof) and to the risk associated with the reuse of cash received as collateral, as the net asset value of the Fund may change in line with fluctuations in the value of the securities acquired by investing the cash collateral received. In exceptional market circumstances, unitholders may also be exposed to liquidity risk, which may, for example, make it difficult to trade certain securities.
- sustainability risk: Unmanaged or unmitigated sustainability risks can impact returns on financial products. For example, if an environmental, social or governance event or situation were to occur, it could have an actual or potential negative impact on the value of an investment. The occurrence of such an event or situation may also lead to a modification of the Fund's investment strategy, including the exclusion of the securities of certain issuers. More specifically, the negative effects of sustainability risk may affect issuers by means of a series of mechanisms, including: 1) a decrease in revenues; 2) higher costs; 3) damages or depreciation of asset value; 4) higher cost of capital; and 5) regulatory fines or risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood that sustainability risks will impact returns on financial products is liable to increase in the longer term.
- risk associated with the incorporation of non-financial criteria: A non-financial approach may be implemented in different ways by financial managers, in particular due to the lack of common or harmonised labels at European level. This means that it can be difficult to compare strategies that incorporate non-financial criteria. Indeed, the selection and weighting applied to certain investments can be based on indicators that share the same name but have different meanings. When evaluating a security on the basis of non-financial criteria, the Management Company may also use data sources provided by external providers. Given the evolving nature of the non-financial criteria, these data sources may currently be incomplete, inaccurate or unavailable. The application of responsible business conduct standards and non-financial criteria in the investment process may lead to the exclusion of the securities of certain issuers. Therefore, the financial performance of the Fund may sometimes be better or worse than the performance of similar funds that do not apply these strategies.

**TARGET INVESTORS AND TYPICAL INVESTOR PROFILE:**

"Classic" unit class: All investors.

"I" unit class: All investors; mainly legal entities.

"Privilege" unit classes: All investors and investors advised by independent advisers as defined by MiFID II (1) and managed under mandate.

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFID 2004/39.

"B" unit class: Unit reserved for subscriptions by the following UCITS:

- Belgian SICAV BNP Paribas B Strategy
- Belgian SICAV BNP Paribas B Invest
- Luxembourg SICAV Generalpart 1 World Sustainable
- sub-funds of the BNP Paribas Sustainable Multi-Asset range of the Luxembourg BNP Paribas Funds SICAV

This Fund is intended for investors who wish to bear the risks mentioned in the “Risk profile” section above.

The appropriate amount to invest in this Fund depends on your personal situation. To determine this, investors should take into account their personal assets and their current and three-year requirements, as well as their desire to take risks or, on the contrary, to favour a more prudent investment. Investors are also strongly advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this Fund.

**INFORMATION RELATING TO US INVESTORS:**

The Management Company is not registered as an investment adviser in the United States.

The Fund is not registered as an investment vehicle in the United States and its units are not and will not be registered pursuant to the Securities Act of 1933; consequently, they may not be offered or sold to the “Restricted Persons” defined below.

Restricted Persons are: (i) any person or entity located in the territory of the United States (including US residents), (ii) any company or other entity governed by the laws of the United States or one of its States, (iii) all United States military personnel or any employee linked to a US department or government agency located outside of the territory of the United States, or (iv) any other person who is considered as a US Person pursuant to Regulation S of the Securities Act of 1933, as amended.

Furthermore, the Fund’s units may not be offered or sold to employee benefit plans or to entities whose assets are assets of employee benefit plans, whether subject or not to the provisions of the United States Employee Retirement Income Securities Act of 1974, as amended.

**FATCA:**

By virtue of the provisions of the Foreign Account Tax Compliance Act (“FATCA”) applicable with effect from 1 July 2014, if the Fund invests directly or indirectly in US assets, any income deriving from such investments may be liable for a 30% withholding tax.

To avoid having to pay a 30% withholding tax, France and the United States have signed an intergovernmental agreement by virtue of which foreign financial institutions agree to set up a procedure to identify direct or indirect investors who qualify as US taxpayers and to send certain types of information on these investors to the French tax authorities, which shall forward the information to the US Internal Revenue Service.

As a foreign financial institution, the Fund undertakes to comply with FATCA and take all measures stemming from the aforementioned intergovernmental agreement.

**INFORMATION RELATING TO THE AUTOMATIC EXCHANGE OF INFORMATION (AEOI):**

In order to meet its Automatic Exchange of Information (AEOI) obligations, the Management Company may be required to gather and disclose information on the Fund’s unitholders to third parties, including the tax authorities, in order to transfer it to the jurisdictions concerned. This information may include (but is not limited to) the identity of unitholders and their direct or indirect beneficiaries, ultimate beneficiaries and the persons controlling them. Unitholders will be required to comply with any request made by the Management Company to provide information enabling the Management Company to comply with its reporting obligations.

For further information regarding their specific situation, unitholders should consult an independent tax advisor.

**RECOMMENDED MINIMUM INVESTMENT PERIOD:** three years.

**METHODS FOR DETERMINING AND ALLOCATING DISTRIBUTABLE INCOME:**

**“Classic C”, “Privilege C” and “B” unit classes:**

Allocation of net income: Accumulation. The Management Company has opted for accumulation. Net income is fully accumulated each year.

Allocation of net realised capital gains: Accumulation. The Management Company has opted for accumulation. Net realised capital gains are fully accumulated each year.

**“Classic D” and “Privilege D” unit classes:**

Allocation of net income: distribution. The Management Company has opted for distribution. Net income shall be fully distributed each year.

Allocation of net realised capital gains: Accumulation. The Management Company has opted for accumulation. Net realised capital gains are fully accumulated each year.

**“I” unit class:**

Allocation of net income: Accumulation. The Management Company has opted for accumulation. Net income is fully accumulated each year.

Allocation of net realised capital gains: Accumulation. The Management Company has opted for accumulation. Net realised capital gains are fully accumulated each year.

Interest is recorded using the interest received method.

**DISTRIBUTION FREQUENCY:**

For the “Classic D” and “Privilege D” unit classes: annual.

**CHARACTERISTICS OF THE UNITS:**

**SUMMARY TABLE SHOWING THE KEY CHARACTERISTICS OF THE UNITS**

UNITS	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	FRACTIONING OF UNITS	MINIMUM SUBSCRIPTION AMOUNT
“Classic C” unit class	FR0010130765	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors Mainly legal entities	Thousandths	One thousandth of a unit or the equivalent amount
“Classic D” unit class	FR0010130773	<u>Net income:</u> Distribution  <u>Net realised capital gains:</u> Accumulation				
“I” unit class	FR0010077156	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors Mainly legal entities	Thousandths	<u>Initial:</u> EUR 180,000 or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit or the equivalent amount
“Privilege C” unit class	FR0013289543	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	All investors	Thousandths	<u>Initial:</u> EUR 180,000* or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit

				For subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate		One thousandth of a unit or the equivalent amount
"Privilege D" unit class	FR0013373644	<u>Net income:</u> Distribution  <u>Net realised capital gains:</u> Accumulation	EUR	All investors	Thousandths	<u>Initial:</u> EUR 180,000 or the equivalent in number of units  <u>Subsequent:</u> One thousandth of a unit
				For investors advised by independent advisers as defined by MiFiD II (1) and managed under mandate		One thousandth of a unit or the equivalent amount
"B" unit class	FR0013386885	<u>Net income:</u> Accumulation  <u>Net realised capital gains:</u> Accumulation	EUR	Unit reserved for subscriptions by the following UCITS: - BNP Paribas B Strategy - BNP Paribas B Invest - Generalpart 1 World Sustainable - BNP Paribas Sustainable Multi-Asset sub-funds of the BNP Paribas Funds SICAV	Thousandths	One thousandth of a unit or the equivalent amount

\* With the exception of the Management Company or any entity of the BNP Paribas Group.

(1) Distributors from member countries of the European Economic Area only (or exclusively) providing independent advisory services as defined by MiFiD 2004/39.



**SUBSCRIPTION AND REDEMPTION PROCEDURES:**

Orders are executed in accordance with the table below:

D business day	D business day	D: NAV calculation day	D+1 business day	Maximum D+5 business days	Maximum D+5 business days
Centralisation of subscription orders before 1.00 p.m. <sup>(1)</sup>	Centralisation of redemption orders before 1.00 p.m. <sup>(1)</sup>	Order execution on D at the latest	Net asset value publication	Settlement of subscriptions	Settlement of redemptions

<sup>(1)</sup> Unless a specific deadline is agreed with your financial institution.

Subscriptions may relate to an amount, a whole number of units or a fraction of a unit, with each unit being divided into thousandths.

Redemption requests may relate to a whole number of units or to a fraction of a unit, each unit being divided into thousandths.

Requests received on Saturdays are cleared on the next business day.

**INSTITUTION AUTHORISED TO CLEAR SUBSCRIPTIONS AND REDEMPTIONS: BNP PARIBAS**

**MINIMUM SUBSCRIPTION AMOUNT:**Initial subscriptions:

“Classic” and “B” unit classes: one thousandth of a unit or the equivalent amount

“I” unit class: EUR 180,000 or the equivalent in number of units

“Privilege” unit class:

-For all subscribers: EUR 180,000 or the equivalent in number of units

For subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate: one thousandth of a unit or the equivalent amount

(1) Distributors from member countries of the European Economic Area only (or exclusively) providing independent advisory services as defined by MiFiD 2004/39.

Subsequent subscriptions:

For all unit classes: one thousandth of a unit

**INITIAL NET ASSET VALUE:**

\* Classic unit class:

- class “C”: EUR 49.62 (as at 07/12/2004).

- class “D”: EUR 34.40 (as at 07/12/2004).

\* “I” unit class: FRF 1,000,000 as at the Fund’s inception date on 10/03/1993 (EUR 152,449.02), divided by 10 (ten) on 25 June 2001.

“Privilege” unit class: EUR 100.

“B” unit class: EUR 50,000.

**DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION:**

The net asset value is calculated daily except on Saturdays, Sundays, French public holidays, and days when the markets are closed (official Euronext calendar).

The net asset value preceding a non-business period (weekends and public holidays) takes interest accrued during this period into account. It is dated the last day of the non-business period.

**CHARGES AND FEES:****SUBSCRIPTION AND REDEMPTION FEES:**

General definition: subscription fees increase the subscription amount paid by the investor, while redemption fees decrease the redemption proceeds paid to the investor. The fees charged by the Fund serve to offset the costs incurred by the Fund when investing or divesting investors' monies. The remaining fees are paid to the Management Company, the promoter, etc.

CHARGES PAYABLE BY THE INVESTOR, DEDUCTED AT THE TIME OF SUBSCRIPTION AND REDEMPTION	BASIS	RATE/SCALE
<b>SUBSCRIPTION FEE NOT PAYABLE TO THE FUND</b>	Net asset value x number of units	maximum 2%  Exceptions:  <b>“Classic” and “Privilege” unit classes:</b> - Simultaneous subscription requests to a redemption order involving the same number of units and executed on the same net asset value. - Exchange between C and D units and vice versa.  <b>“I” and “B” unit classes:</b> - Simultaneous subscription requests to a redemption order involving the same number of units and executed on the same net asset value.
<b>SUBSCRIPTION FEE PAYABLE TO THE FUND</b>	/	None
<b>REDEMPTION FEE NOT PAYABLE TO THE FUND</b>	/	None
<b>REDEMPTION FEE PAYABLE TO THE FUND</b>	/	None

**Fees charged to the Fund:**

These charges cover the financial management charges paid to the Management Company, the administrative charges external to the Management Company and the maximum indirect charges (management fees and charges).

A portion of the fees charged to the Fund may also be used to remunerate the Fund's distributor(s) in France for the advisory and investment services provided (between 28% and 65% depending on the distributor(s) and the type of units).

The costs charged may also include:

- outperformance fees. These reward the Management Company if the Fund exceeds its performance objective.
- transaction fees charged to the Fund.

FEES CHARGED TO THE FUND	BASIS	RATE/SCALE
<b>FINANCIAL MANAGEMENT FEES AND ADMINISTRATIVE FEES EXTERNAL TO THE MANAGEMENT COMPANY</b>	Net assets, less deductions made for UCIs in the portfolio	<p>“Classic” unit class: Maximum 0.96% (incl. tax)</p> <p>“I” unit class: Maximum 0.60% (incl. tax)</p> <p>“Privilege” unit class: Maximum 0.50% (incl. tax)</p> <p>“B” unit class: Maximum 0.05% (incl. tax)</p>
<b>TRANSACTION FEES</b> SERVICE PROVIDER RECEIVING TRANSACTION FEES: MANAGEMENT COMPANY	Amount of each transaction	. French UCI securities: none . Foreign UCI securities: none
	Per block	. Futures: EUR 12
	On premiums	. Options: maximum 0.72%
	Flat fee	. Bonds: EUR 60 . Negotiable debt securities: EUR 60 . Repurchase agreements: EUR 60 . Swaps: EUR 360
<b>OUTPERFORMANCE FEE</b>	/	None

**ADDITIONAL INFORMATION ABOUT TEMPORARY PURCHASES AND SALES OF SECURITIES:**

When applicable, this type of securities lending transaction is carried out under market conditions through BNP Paribas (the Agent), which also serves as the depositary of the Fund and is an entity associated with the Management Company.

The Fund receives 70% of the income generated by these transactions; the remaining 30% is shared between the Agent (15%) and the Management Company (15%) for the operational and administrative costs and charges associated with such transactions.

When applicable, any income from repurchase transactions is retained in full by the Fund. Operating costs and charges associated with such repurchase transactions are not charged to the Fund, as the Management Company meets these costs and charges in full.

The performance of these transactions by the Agent and the Management Company, companies belonging to the same group, may potentially generate a risk of conflict of interest as set out in the “Risk profile” section of the prospectus.

**OVERVIEW OF THE PROCEDURE FOR SELECTING INTERMEDIARIES:**

The relationship between BNP PARIBAS ASSET MANAGEMENT France and financial intermediaries is governed by a set of formal procedures, organised by a dedicated team reporting to the Chief Investment Officer and to the Risk Management manager.

Any new relationship is subject to an approval procedure in order to minimise the risk of default during transactions on financial instruments traded on regulated or organised markets (money market instruments, bonds and interest rate derivatives, paper securities and equity derivatives).

The criteria used for the counterparty selection procedure are as follows: the ability to offer competitive intermediation costs, the quality of order execution, the accuracy of research services provided to users, their availability to discuss and argue the case for their assessments, their ability to offer a range of products and services (whether extensive or specialist) corresponding to the needs of BNP PARIBAS ASSET MANAGEMENT France, and their ability to optimise the administrative processing of transactions.

### III – COMMERCIAL INFORMATION

#### III.1 – SUBSCRIPTION AND REDEMPTION OF UNITS

Pursuant to the provisions set out in the prospectus, subscriptions and redemptions of the Fund's units may be made at branches of BNP Paribas and, where applicable, with financial intermediaries affiliated to Euroclear France.

#### III.2 – PROVISION OF INFORMATION TO UNITHOLDERS

##### COMMUNICATION OF THE PROSPECTUS, THE KEY INVESTOR INFORMATION DOCUMENTS AND THE LATEST ANNUAL AND INTERIM REPORTS:

The prospectus, the key investor information documents and the latest annual and interim reports will be sent within one week of receipt of a written request from the unitholder to BNP Paribas Asset Management – Service Client, TSA 90007, 92729 Nanterre CEDEX, France.

These documents are also available online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

The "Voting Policy" document and the report detailing the conditions under which the voting rights have been exercised are also available for consultation at the following address:

Service Marketing & Communication, TSA 90007, 92729 Nanterre CEDEX, France.

Or online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

If a request for information pertaining to a vote on a resolution remains unanswered after one month, the investor should take this as confirmation that the Management Company has voted in accordance with the principles set out in the "Voting Policy" document and with the suggestions of its governing bodies.

Additional information may be obtained from branches of BNP PARIBAS.

##### PUBLICATION OF THE NET ASSET VALUE:

The net asset value is available from branches of BNP PARIBAS and online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

##### AVAILABILITY OF THE FUND'S MARKETING DOCUMENTATION

The Fund's marketing documentation may be obtained by unitholders from branches of the BNP Paribas Group and online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

##### INFORMATION PROCEDURE WHEN CHANGING THE FUND'S OPERATING PROCEDURES:

Unitholders will be notified of any changes to the Fund's operating procedures, either individually, via the press or by any other means that conforms to the provisions of the AMF instruction no. 2011-19. Where appropriate, this notification may be issued by Euroclear France or by financial intermediaries affiliated to Euroclear France.

##### DISCLOSURE OF THE PORTFOLIO COMPOSITION TO INVESTORS SUBJECT TO THE REQUIREMENTS OF DIRECTIVE 2009/138/EC (SOLVENCY II DIRECTIVE):

Under the conditions laid down by AMF position 2004-07, the Management Company may disclose the composition of the Fund's portfolio to unitholders subject to the requirements of the Solvency II Directive, no sooner than 48 hours after publication of the Fund's net asset value.

##### INFORMATION ON THE SUSTAINABLE INVESTMENT APPROACH:

Information and documents on BNP Paribas Asset Management's approach to sustainable investment are available on the website at the following address: <https://www.bnpparibas-am.com/fr/sustainability>

**CLASS ACTIONS POLICY**

In accordance with its policy, the Management Company:

- does not participate, in principle, in active class actions (i.e. the Management Company shall not initiate any proceedings, act as a plaintiff or play an active role in a class action against an issuer);
- may participate in passive class actions in jurisdictions where the Management Company believes, at its sole discretion, that (i) the class action is sufficiently cost-effective (for example, when the expected income exceeds the foreseeable costs incurred for the proceedings), (ii) the outcome of the class action is sufficiently predictable and (iii) the relevant data required to evaluate the eligibility of the class action is reasonably available and can be managed in an efficient and sufficiently reliable way;
- transfers all sums received by the Management Company as part of a *class action*, net of external costs to be paid, to the funds involved in the class action concerned.

The Management Company may modify its class action policy at any time and may, under special circumstances, diverge from the principles described above.

The principles of the class action policy applicable to the Fund are available on the Management Company's website.

**INFORMATION AVAILABLE FROM THE AUTORITE DES MARCHES FINANCIERS:**

The AMF website ([www.amf-france.org](http://www.amf-france.org)) provides additional information on the list of regulatory documents and all of the provisions relating to investor protection.

## IV – INVESTMENT RULES

The investment rules, regulatory ratios and temporary provisions applicable under the current regulations are derived from the French Monetary and Financial Code.

The principal financial instruments and investment techniques used by the Fund are specified in Section II.2 of the prospectus, entitled "Special provisions".

## V – TOTAL RISK

The Fund's total risk is calculated using the commitment method.

## VI – ASSET VALUATION AND ACCOUNTING RULES

### VI.1 – ASSET VALUATION RULES

The Fund complies with the accounting rules laid down by the regulations in force and, in particular, with the chart of accounts for UCITS.

The Fund's accounting currency is the euro.

All transferable securities held in the portfolio are recognised on an historical cost basis, excluding charges.

Securities, futures and options held in the portfolio that are denominated in a foreign currency are converted to the accounting currency based on the exchange rates in Paris on the valuation day.

The portfolio is valued each time the net asset value is calculated, and at the end of the accounting period, using the following methods:

**- LISTED FINANCIAL INSTRUMENTS:**

Listed financial instruments are valued at their stock market value including accrued coupons (at the day's closing prices).

However, financial instruments whose price has not been recorded on the valuation day or whose price has been adjusted, and securities not traded on a regulated market, are valued under the responsibility of the Management Company at their probable trading price.

**- UCIs:**

UCIs are valued at their last known net asset value. If this is not available, they are valued using their last estimated net asset value.

**- NEGOTIABLE DEBT SECURITIES AND SIMILAR SECURITIES:**

Negotiable debt securities and similar securities that are not subject to significant transactions are valued using the actuarial method at a rate applicable to issues of equivalent securities, to which a variance representative of the intrinsic features of the issuer is assigned, if appropriate. In the absence of sensitivity, securities with a residual term of three months are valued at the last rate prior to maturity, and for those acquired for periods of less than three months, interest is calculated on a straight-line basis.

**- TEMPORARY PURCHASES AND SALES OF SECURITIES:**

When securities are lent, the receivable representing the securities lent is valued at the securities' market value.

When securities are borrowed, the securities borrowed and the corresponding debt are valued at the securities' market value.

Collateral: for securities accepted as a collateral in connection with securities lending transactions, the UCITS has chosen to include in the appendices a list of the securities received and the debt corresponding to the obligation to return these securities.

**- FORWARD FINANCIAL INSTRUMENTS:**

- Futures are valued at the day's settlement price.

The off-balance sheet valuation is calculated based on the nominal value, the settlement price and, where applicable, the exchange rate.

- Options are valued at the day's closing price or, if this is not available, at the last known price.

The off-balance sheet valuation is calculated based on its underlying equivalent according to the delta and the price of the underlying asset and, where applicable, the exchange rate.

Securities received as collateral are valued on a daily basis at the market price.

**VI.2 – ACCOUNTING METHOD**

Interest on bonds and debt securities is recorded using the interest received method.

The net asset value preceding a non-business period (weekends and public holidays) takes interest accrued during this period into account. It is dated the last day of the non-business period.

## VII – REMUNERATION

The Management Company's remuneration policy has been designed to protect clients' interests, to prevent conflicts of interest and to ensure that there is no incentive to take excessive risks.

It applies the following principles: paying for performance, sharing wealth creation, aligning the long-term interests of employees and the company and encouraging an element of employee financial participation in risks.

Details of the up-to-date remuneration policy, including, in particular, the persons responsible for allocating remuneration and benefits and a description of how these are calculated, are available online at <http://www.bnpparibas-am.com/en/remuneration-policy/>. Paper copies are available free of charge from the Management Company, on written request.

**Prospectus publication date: 1 October 2022**

## ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

### Facilities in the Federal Republic of Germany according to section 306a (1) of the Investment Code

The prospectus, the key investor information documents, the management regulations and the annual and semi-annual reports may be obtained, free of charge, in hardcopy form at BNP Paribas Asset Management France, Zweigniederlassung Frankfurt am Main, Senckenberganlage 19, 60325 Frankfurt, during normal opening hours.

Applications for the redemptions and conversion of shares may be sent to BNP Paribas 16, boulevard des Italiens 75009 Paris. All payments to investors, including redemption proceeds and potential distributions may, upon request, be paid through BNP Paribas 16, boulevard des Italiens 75009 Paris. The issue, redemption and conversion prices, the net asset value as well as any notices to investors are also available from BNP Paribas 16, boulevard des Italiens 75009 Paris.

Information and access to procedures and arrangements referred to in Article 15 of Directive 2009/65/EC relating to investors' exercise of their rights can be obtained from BNP Paribas Asset Management France, 1, boulevard Haussmann, 75009 Paris, France ([AMFR.CLIENTSERVICE@bnpparibas.com](mailto:AMFR.CLIENTSERVICE@bnpparibas.com) phone number: +33 1 58 97 00 00).

In addition, the issue and redemption prices are published on [www.bnpparibas-am.de](http://www.bnpparibas-am.de).

No units of EU UCITS will be issued as printed individual certificates.

In addition, communications to investors in the Federal Republic of Germany will be made available by means of a durable medium (section 167 of the Investment Code) in the following cases:

- suspension of the redemption of the units,
- termination of the management of the fund or its liquidation,
- any amendments to the company rules which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.



**BNP PARIBAS ASSET MANAGEMENT France**

1, boulevard Haussmann  
75009 Paris, France

Paris Trade & Companies Register no. 319 378 832

**MUTUAL FUND REGULATIONS****BNP PARIBAS OBLI ETAT ISR****PART I****ASSETS AND UNITS****ARTICLE 1 – Co-ownership units**

Co-owners' rights are expressed in units, with each unit corresponding to the same fraction of the assets of the Fund or, if applicable, the sub-fund. Each unitholder has a right of co-ownership to the Fund's assets, proportional to the number of units held.

The term of the Fund is 99 years from its incorporation, except in the event of early dissolution or extension, as provided for in these regulations.

If the Fund is a UCITS with sub-funds, each sub-fund issues units representing the assets of the Fund that are allocated to it. In such cases, the provisions of these regulations applicable to units of the Fund shall apply to units issued to represent the assets of the sub-fund.

The Fund issues different unit classes whose characteristics and eligibility requirements are described in the Fund's prospectus.

The different unit classes may:

- Have different policies for allocating income (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption fees;
- Have a different nominal value;
- Be systematically hedged against risk, in part or in full, as defined in the Prospectus. This hedging is achieved using financial instruments that minimise the impact of the hedging transactions on the other unit classes of the UCITS;
- Be reserved for one or more distribution networks.

The Management Company's governing body or its Chairman may decide to divide, group together or split the units into tenths, hundredths, thousandths or ten-thousandths, referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units will also apply to fractions of units, the value of which will always be proportional to that of the unit that they represent. Unless otherwise stipulated, all other provisions of the regulations relating to units will apply to fractions of units without any need to make a specific provision to that end.

The Management Company's governing body or its Chairman may unilaterally decide to divide the units by creating new units, which are allocated to unitholders in exchange for their old units.

If the Fund is a feeder UCITS, unitholders of this feeder UCITS will receive the same information as they would if they held units or shares in the master UCITS.

**ARTICLE 2 – Minimum assets**

Units cannot be redeemed if the assets of the Fund or, if applicable, a sub-fund, fall below the amount set by the Regulations. If the assets remain below this amount for 30 days, the Management Company shall take the necessary measures to liquidate the UCITS concerned, or to carry out one of the transactions referred to in Article 411-16 of the General Regulations of the AMF (transfer of the UCITS).

**ARTICLE 3 – Issue and redemption of units**

Units are issued at any time following receipt of subscription orders from unitholders on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions will be settled under the conditions and according to the procedures defined in the prospectus.

Units of the Fund may be listed on a stock exchange in accordance with the regulations in force.

Subscriptions must be fully paid up on the day on which the net asset value is calculated. Payment may be made in cash and/or in the form of a contribution of financial instruments. The Management Company is entitled to refuse the securities offered and, for this purpose, has seven days from the date of their deposit to communicate its decision. If accepted, the securities are valued in accordance with the rules set out in Article 4, and the subscription is based on the first net asset value following acceptance of the securities in question.

Redemptions may be made in cash.

Redemptions may also be made in kind. If the redemption in kind corresponds to a share representing the assets of the portfolio, then only a written agreement signed by the outgoing unitholder must be obtained by the UCITS or the Management Company. When the redemption in kind does not correspond to a share representing the assets of the portfolio, all unitholders must provide their written agreement authorising the outgoing unitholder to redeem their units against certain specific assets, as defined explicitly in the agreement.

In general, redeemed assets are valued according to the rules set out in Article 4 and redemptions in kind are made based on the first net asset value following acceptance of the securities concerned.

Redemptions are made exclusively in cash, except in the event of the liquidation of the Fund when unitholders have agreed to be reimbursed in securities. The registrar settles redemptions within five days of the valuation of the units.

However, if, in exceptional circumstances, the repayment requires the prior sale of assets held in the Fund, this deadline may be extended up to a maximum of 30 days.

Other than in the event of inheritance or inter vivos gifts, the sale or transfer of units between unitholders, or from unitholders to a third party, is equivalent to a redemption followed by a subscription; if it involves a third party, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach at least the minimum subscription amount required by the prospectus.

In accordance with Article L.214-8-7 of the French Monetary and Financial Code, in exceptional circumstances and when such action is required to protect the interests of unitholders, the Management Company may temporarily suspend the redemption of units and the issue of new units by the Fund.

If the net assets of the Fund (or a sub-fund, if applicable) fall below the threshold established by the regulations, no redemptions may be carried out (in the sub-fund in question, if applicable).

Pursuant to paragraph three of Article L. 214-8-7 of the French Monetary and Financial Code, the Fund may cease to issue units either temporarily or permanently, partially or totally, in situations that objectively require the closure of subscriptions, such as reaching the maximum number of units issued, or the maximum amount of assets, or the expiry of a specified subscription period. Existing unitholders will be informed by any means of the triggering of this tool, as well as the threshold and the objective situation that led to the decision on partial or total closure. In the event of a partial closure, this information by any means will specify explicitly the conditions under which existing unitholders may continue to subscribe for the duration of this partial closure. Unitholders will also be informed by any means of the decision of the Fund or the Management Company either to end the total or partial closure of subscriptions (once they fall below the trigger threshold), or not to

end their closure (in the event of a change to the threshold or a change to the objective situation that led to the application of this tool). A change to the objective situation invoked or to the trigger threshold of the tool must always be made in the interests of the unitholders. The notification issued by any means specifies the exact reasons for these changes.

Minimum subscription conditions may exist, in accordance with the procedures set out in the Fund's prospectus.

#### **ARTICLE 4 – Calculation of the net asset value**

The unit's net asset value is calculated in accordance with the valuation rules set out in the prospectus.

## **PART II**

### **MANAGEMENT OF THE FUND**

#### **ARTICLE 5 – The Management Company**

The Fund is managed by the Management Company in accordance with the Fund's investment strategy. The Management Company shall act, at all times, in the exclusive interest of the unitholders and has sole authority to exercise the voting rights attached to the securities held in the Fund.

#### **ARTICLE 5B – Operating rules**

The instruments and deposits eligible to form part of the Fund's assets and the investment rules are described in the prospectus.

#### **ARTICLE 6 – The depositary**

The depositary undertakes the tasks incumbent upon it pursuant to the legal and regulatory provisions in force, as well as those contractually entrusted to it. In the event of a dispute with the Management Company, the depositary will inform the Autorité des marchés financiers.

If the Fund is a feeder UCITS, the depositary must have entered into an agreement to exchange information with the depositary of the master UCITS or, if it is also the depositary of the master UCITS, it must have issued appropriate specifications.

#### **ARTICLE 7 – The statutory auditor**

A statutory auditor is appointed by the Management Company's governing body for six financial years, following authorisation by the Autorité des marchés financiers.

The statutory auditor certifies that the financial statements are accurate and fair.

The statutory auditor's mandate may be renewed.

The statutory auditor is required to notify the Autorité des marchés financiers as soon as possible of any fact or decision relating to the undertaking for collective investment in transferable securities to which it becomes privy while carrying out an audit that could:

- 1) Constitute a breach of the legislative or regulatory provisions that apply to the Fund and have a significant impact on the Fund's financial position, income or assets;
- 2) Have an adverse effect on operations or on the Fund's ability to continue as a going concern;
- 3) Lead to the expression of reservations or the refusal to certify the financial statements.

The statutory auditor shall supervise the valuation of the assets and determination of exchange ratios used in the event of a conversion, merger or split.

The statutory auditor is responsible for reviewing any contributions or redemptions in kind, except in the case of redemptions in kind for an ETF on the primary market.

The statutory auditor checks the composition of the assets and other information prior to publication.

The statutory auditor's fees are determined by mutual agreement between the auditor and the Board of Directors of the Management Company for the portfolio on the basis of a schedule of work indicating all the duties required.

The statutory auditor certifies the financial statements serving as the basis for the payment of interim dividends.

If the Fund is a feeder UCITS:

- the statutory auditor will have entered into an agreement to exchange information with the statutory auditor of the master UCITS.
- When it is also the statutory auditor of the master UCITS, it must draw up an appropriate schedule of work.

The statutory auditor's fees are included in the management fees.

### **ARTICLE 8 – The financial statements and the management report**

At the end of each financial year, the Management Company draws up the summary documents and issues a report on the Fund's management and, if applicable, a report on each sub-fund for the previous financial year.

The Management Company issues the inventory of the Fund's assets at least every six months, under the supervision of the depositary.

The Management Company makes these documents available to unitholders within four months of the end of the financial year and informs unitholders of the amount of income to which they are entitled: these documents are either sent by post at the specific request of the unitholders, or made available at the Management Company's premises.

## **PART III**

### **DISTRIBUTABLE INCOME ALLOCATION POLICY**

#### **ARTICLE 9 – Income allocation policy**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and allotments, directors' fees and any other proceeds from the securities comprising the Fund's portfolio, and, if applicable, each sub-fund, plus the income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income is equal to:

- 1) The net income for the financial year plus retained earnings, plus or minus the balance of accrued income,
- 2) The capital gains, net of charges, minus the capital losses, net of charges, recorded during the financial year, plus the net capital gains of the same type recorded during previous financial years that have not been reinvested and plus or minus the balance of capital gains accruals.

The Management Company decides on the allocation of distributable income (income and net realised capital gains). It may also decide to pay interim dividends and/or carry forward the net income and/or net realised capital gains.

The Fund may issue different unit classes, for which the distributable income allocation policy is described in the prospectus.

**PART IV****MERGER – SPLIT – DISSOLUTION – LIQUIDATION****ARTICLE 10 – Merger – Split**

The Management Company may either assign all or part of the assets included in the Fund to another UCITS that it manages, or split the Fund into two or more other UCITS that it will manage.

Such mergers or splits may only be carried out after the unitholders have been notified. A new certificate will be issued after such transactions indicating the number of units held by each unitholder.

The provisions of this article will apply, where appropriate, to each sub-fund.

**ARTICLE 11 – Dissolution – Extension**

- If the assets of the Fund or, if applicable, the sub-fund, remain below the amount established in Article 2 above for 30 days, the Management Company shall inform the Autorité des marchés financiers and shall dissolve the Fund or, if applicable, the sub-fund, except in the event of a merger with another fund.
- The Management Company may dissolve the Fund or, if applicable, a sub-fund, early; it shall advise the unitholders of its decision and, from that date, requests for subscription or redemption will no longer be accepted.
- The Management Company shall also dissolve the Fund or, if applicable, the sub-fund, if there is a request to redeem all of the units, if the depositary's appointment is terminated and no other depositary has been appointed, or on expiry of the Fund's term, if it has not been extended.

The Management Company shall advise the AMF by letter of the dissolution date and procedure agreed. It shall then send the statutory auditor's report to the Autorité des marchés financiers.

The Management Company may, in agreement with the depositary, decide to extend a fund. This decision must be taken at least three (3) months prior to the expiry of the intended term of the Fund and the unitholders and the Autorité des marchés financiers must be notified thereof.

**ARTICLE 12 – Liquidation**

In the event of dissolution, the Management Company will act as liquidator; failing that, a liquidator will be appointed by a court of law at the request of any interested party. To this end, the liquidator will be granted the broadest powers to sell the assets, pay off any creditors and distribute the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the depositary shall continue to perform their duties until the liquidation is complete.

The assets of the sub-funds will be allocated to the respective unitholders of these sub-funds.

**PART V****DISPUTES****ARTICLE 13 – Jurisdiction – Address for service**

All disputes relating to the Fund that may arise during the period of its operation or during its liquidation, either between unitholders or between unitholders and the Management Company or the depositary, are subject to the jurisdiction of the competent courts.