

THEAM QUANT
DISPERSION US FUNDtheam QUANT
FUNDS

LIQUID ALTERNATIVES

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | MARCH 2023

OBJECTIVE

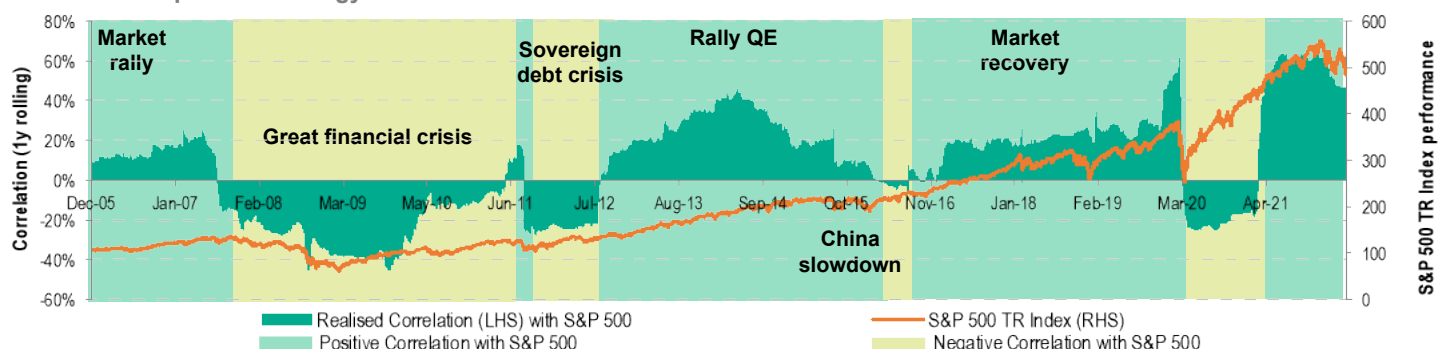
- The THEAM Quant Dispersion US Fund's investment objective is to offer unitholders, over a recommended investment horizon of two years, a strategy which benefits from the rise in single stock volatility relative to their benchmark index. The Fund is for qualified investors wishing to invest in an instrument which provides the potential of diversification for an equity portfolio during material market drawdowns while offering a potential neutral carry cost over the medium term during rising markets. The Fund strategy is Implemented systematically via a basket of individual stock volatility swaps and an index volatility swap.

KEY POINTS

- The THEAM Quant Dispersion US Fund aims to offer a long run negative correlation to US equities, providing strong diversification properties.
- Implementing a systematic strategy, the fund aims to capture dispersion whilst leveraging BNP Paribas leading volatility expertise and infrastructure.
- A potential limited carry cost when compared to traditional volatility or other defensive strategies.
- The fund targets a constant exposure to volatility enabling investors to invest on a "buy and hold" basis without the need to consider tactical market timing.

IMPACT ON EQUITY PORTFOLIO

Correlation of Dispersion Strategy with S&P 500



STRATEGY

This strategy picks up the best realised stocks with an optimised allocation and uses volatility-based instruments to achieve its investment targets

- Every month a new clip of 101 volatility swaps is initiated with 12-month maturity and an exposure of 5/12 for each swap:

1 short volatility swap on the S&P500 index

&

100 long volatility swaps on a selected basket of the 100 largest market caps from the S&P500 Index (Top 100)*

- The basket is weighted based on realised carry over the previous 6 months versus prevailing implied levels amongst the top 100 names of the S&P 500:

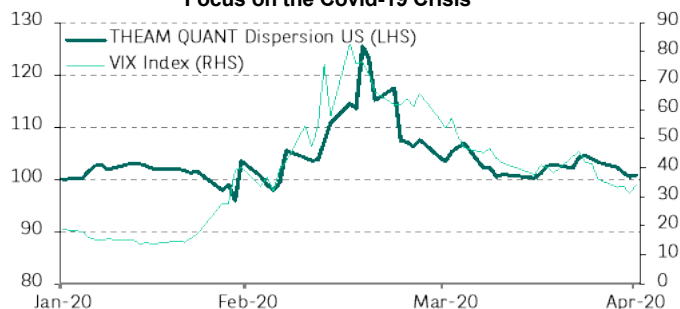
* The selection corresponds to 100 of the largest stocks of the S&P500 previously filtered for corporate actions and other parameters' specific considerations such as unreasonably high or low volatility

BEHAVIOUR DURING MARKET DRAWDOWNS

Focus on the Global Financial Crisis**



Focus on the Covid-19 Crisis***



Source: Bloomberg, BNP Paribas, for illustrative purposes only. **Period covering from 09 May 2008 to 15 January 2009. ***Period covering from 31 January 2020 to 30 April 2020. Past or simulated performance is not indicative of future results. Please read the Disclaimer carefully.

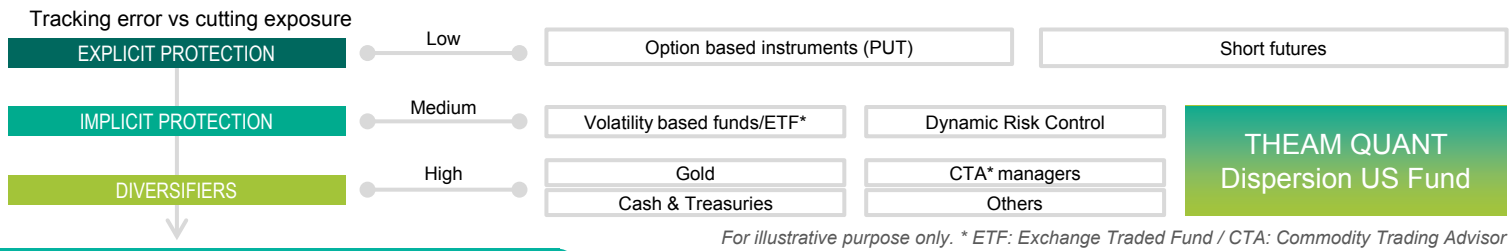
THEAM Quant Dispersion US Fund

LIQUID ALTERNATIVES

As of 31 March 2023

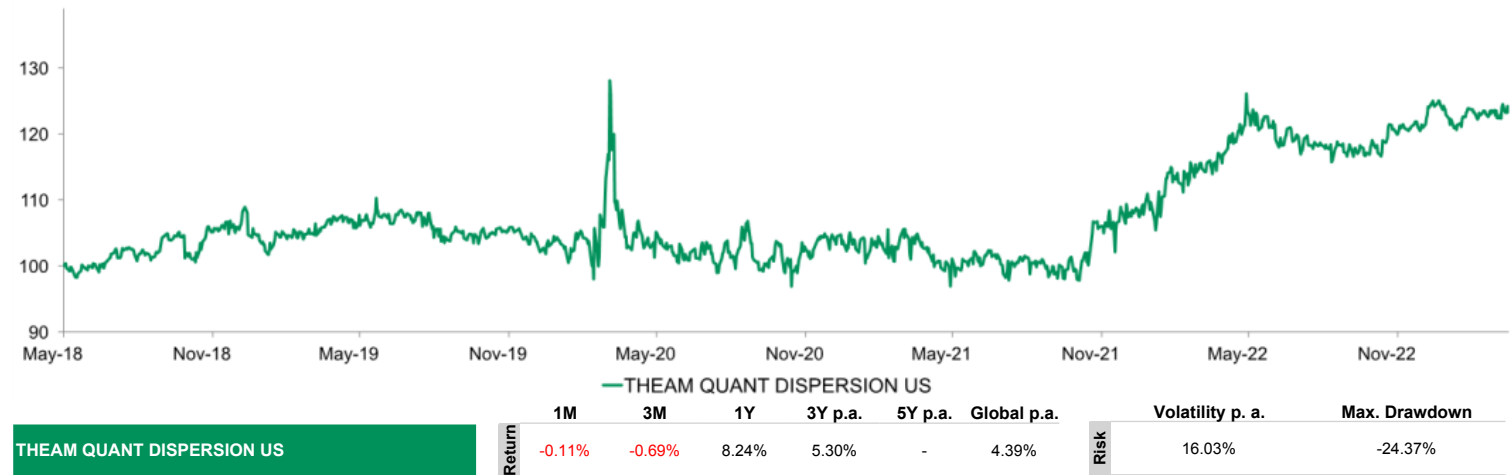
DISPERSION: BNP PARIBAS RISK MITIGATING SOLUTION

BNP Paribas mitigating solution sits in between implicit protection and diversifier depending on market conditions



PERFORMANCE ANALYSIS

Historical Performance of the Fund (net of fees, Share J – USD Acc)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	-2.05%	1.50%	-0.11%										-0.69%
2022	2.92%	3.11%	-0.06%	4.26%	1.92%	-1.02%	-1.31%	-0.16%	-0.02%	0.53%	1.78%	2.82%	15.60%
2021	-2.64%	0.73%	2.14%	-4.12%	1.05%	1.17%	-2.08%	0.50%	-2.34%	2.12%	4.42%	2.77%	3.42%
2020	-0.96%	3.50%	-0.08%	-2.52%	-0.10%	-0.39%	-2.24%	3.70%	-3.99%	-0.69%	5.17%	-0.29%	0.73%
2019	0.62%	-0.63%	1.29%	0.76%	-0.23%	1.32%	-1.69%	-1.90%	0.76%	0.79%	0.09%	-2.41%	-1.31%
2018					-1.76%	1.59%	2.91%	-1.44%	3.30%	-2.02%	4.06%	-1.99%	4.49%

Past performance simulation is not an indicator of future performance. Cash compounded at fed funds rate. Hypothetical or simulated performance results are presented for illustrative purposes only and have many inherent limitations. Prior to 15 of Sep. 2018 the results did not reflect the returns of an actual portfolio and have been generally prepared with the benefit of hindsight. No representation is made that any portfolio will or is likely to achieve profits or losses similar to those shown in the future. Since 15 of Sep. 2018, historical data on THEAM QUANT DISPERSION US Fund (Share J - USD, net of 0.50% fees) is presented. Bloomberg code: <THQDUSJ FP>. It is for general information only and should not be used as a basis for making any specific investment, business or commercial decisions. Any economic and market trend, prediction, projection or forecast is not necessarily indicative of the future or likely performance of the funds.

FUND CHARACTERISTICS

Attention is drawn to the risk that the liquidity of the volatility market may vary over time and may penalise subscriptions or redemptions. In particular, please note that the fund manager may limit the daily net withdrawals to 10% of the Fund's net assets and stage the remaining withdrawals on the next day, subject to the same limitation. Please refer to the prospectus for more details and contact your sales representative for more information on the strategy.

Fund	THEAM QUANT DISPERSION US				Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT France				Minimum Investment horizon	2
Comparative Index	No Benchmark				Legal form	Mutual Fund
Assets under Management	USD 147.54 million as of 31 March 2023				SRI Ranking (scale from 1 to 7)*	6
SFDR article	6 – Sustainability Risks : This products integrates the analysis of sustainability risks in its investment process pursuant to article 6 of the EU regulation 2019/2088.					
Share	J ACC USD	I ACC USD	S ACC USD	I ACC -	J ACC -	
Launch date	15 May 2018	15 May 2018	15 May 2018	06 February 2019	16 April 2019	
ISIN code	FR0013292299	FR0013292281	FR0013331907	FR0013396926	FR0013396934	
Bloomberg code	THQDUSJ FP	THQDUSI FP	THQDUSS FP	THQDIEU FP	THQDUJH FP	
Ongoing charges	0.50%	0.75%	0.25%	0.75%	0.50%	
Subscription / Exit fees	2.00% / None	2.00% / None	3.00% / None	2.00% / None	2.00% / None	
Minimum subscription	10M \$ / Ptf Mgr 100 000\$	100 000\$	5M \$	100 000 \$ equiv	10M \$ equiv / Ptf Mgr 100 000\$ equiv	
Passporting	Switzerland, Germany, Denmark, Spain, France, United Kingdom, Italy, Luxembourg, Sweden	Austria, Switzerland, Germany, Denmark, Spain, France, United Kingdom, Italy, Luxembourg, Norway, Sweden	Switzerland, Germany, Denmark, Spain, France, United Kingdom, Italy, Luxembourg, Sweden	Switzerland, Germany, Denmark, Spain, France, United Kingdom, Italy, Luxembourg, Norway	Switzerland, Germany, Denmark, Spain, France, United Kingdom, Italy, Luxembourg, Norway	

The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the fund described being in risk of capital loss. Following the new Sustainable Finance Disclosure Regulation (SFDR) that came into force on the 10th of March 2021, financial entities such as BNP Paribas Asset Management who sell products into the EU are required to classify the products they manufacture or advise into three categories: products with sustainable investment objective (Article 9); products promoting environmental or social characteristics (Article 8); products neither Article 8 or Article 9 (Article 6). *The synthetic risk indicator is determined on a scale from 1 to 7 (7 being the highest risk level). It is subject to a periodical computation and can consequently change over time. We invite you to consult regularly the KIID. The higher the risk, the longer the recommended investment horizon.

Funds' main common risks

- The following list of risk factors associated with the funds is not exhaustive. The risk factors that should be considered in connection with any investment include (but are not limited to) the following:
- An investment in the funds may involve a significant degree of risk. Investment in the funds is only suitable for those persons who are able to bear the economic risk of the investment, understand the degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have specific needs for liquidity of investment. There can be no assurance that the funds' objectives will be achieved or that there will be any return of capital.

Economic conditions

- The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the equity markets. Unexpected volatility or illiquidity in the markets in which the funds hold positions could impair the funds' ability to carry out their business or cause them to incur losses. None of these conditions is within the control of the funds or its management company and/or investment manager and no assurances can be given that the funds or its management company and/or investment manager will anticipate these developments.

The funds will possess inherent risks

- These include, among other things, credit, liquidity, volatility, currency and interest rate risk, the financial condition of the underlying obligors, general economic conditions, market price volatility, the condition of certain financial markets, political events and developments or trends in any particular industry.

Currency exchange risk

- The value of an investment may be affected by fluctuations in the currency of the country in which the investment was made, or exchange control regulations.

Interest rate risk

- The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

Derivatives risk

- The use of derivatives by the funds includes various risks. Those risks are (without limitation), the lack of secondary market liquidity under circumstances, valuations risks, the lack of standardization and regulation, the risk of leverage, the risk of counterparty.

Liquidity risk

- There is a risk that investments made in funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), or if their "rating" declines or their economic situation deteriorates.

Credit risk

- This is the risk that may derive from the rating downgrade of a bond issuer to which the funds are exposed, which may therefore cause the value of the investments to go down. Funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

Risk linked to equity markets

- The risks associated with investments in equities (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's equities to its bonds. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay.

Counterparty risk

- This risk relates to the quality of the counterparty with whom the funds do business or enter into various transactions. This risk reflects the counterparty's ability to honor its commitments (payment, delivery, repayment, etc.)

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay. Investors are warned that the capital invested may not be fully recovered, mutual funds described in this document being in risk of capital loss and risk of counterparty. Past performance is not indicative of future performance.

Disclaimer

Legal Notice: This document is CONFIDENTIAL AND FOR DISCUSSION PURPOSES ONLY; it constitutes a marketing communication and has been prepared by a Sales and Marketing function within BNP Paribas and/or its subsidiaries or affiliates (collectively “we” or “BNP Paribas”). As a confidential document it is submitted to selected recipients only and it may not be made available (in whole or in part) to any other person without BNP Paribas' written consent.

This document is not a recommendation to engage in any action, does not constitute or form any part of any offer to sell or issue and is not a solicitation of any offer to purchase any financial instrument, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. To the extent that any transaction is subsequently entered into between the recipient and BNP Paribas, such transaction will be entered into upon such terms as may be agreed by the parties in the relevant documentation.

The information contained in this document has been obtained from sources believed to be reliable, but there is no guarantee of the accuracy, completeness or suitability for any particular purpose of such information or that such information has been independently verified by BNP Paribas or by any person. None of BNP Paribas, its members, directors, officers, agents or employees accepts any responsibility or liability whatsoever or makes any representation or warranty, express or implied, as to the accuracy or completeness of the information, or any opinions based thereon, contained in this document and it should not be used in place of professional advice. Additional information may be provided on request, at our discretion. Any scenarios, assumptions, historical or simulated performances, indicative prices or examples of potential transactions or returns are included for illustrative purposes only. Past performance is not indicative of future results. Investors may get back less than they invested. BNP Paribas gives no assurance that any favourable scenarios described are likely to happen, that it is possible to trade on the terms described herein or that any potential returns illustrated can be achieved. This document is current as at the date of its production and BNP Paribas is under no obligation to update or keep current the information herein. In providing this document, BNP Paribas offers no investment, financial, legal, tax or any other type of advice to, and has no fiduciary duty towards, recipients. Certain strategies and/or potential transactions discussed in this document may involve the use of derivatives which may be complex in nature and may give rise to substantial risks, including the risk of total or partial loss of any investment or losses without limitation and which should only be undertaken by those with the requisite knowledge and experience. BNP Paribas makes no representation and gives no warranty as to the results to be obtained from any investment, strategy or transaction, or as to whether any strategy, security or transaction described herein may be suitable for recipients' financial needs, circumstances or requirements. Recipients must make their own assessment of strategies, securities and/or potential transactions detailed herein, using such professional advisors as they deem appropriate. BNP Paribas accepts no liability for any direct or consequential losses arising from any action taken in connection with or reliance on the information contained in this document even where advised of the possibility of such losses.

As an investment bank with a wide range of activities BNP Paribas may face conflicts of interest and you should be aware that BNP Paribas and/or any of its affiliates may be long or short, for their own account or as agent, in investments, transactions or strategies referred to in this document or related products before the material is published to clients and that it may engage in transactions in a manner inconsistent with the views expressed in this document, either for their own account or for the account of their clients. Additionally, BNP Paribas may have acted as an investment banker or may have provided significant advice or investment services to companies or in relation to investments mentioned in this document. The information in this document is not intended for distribution to, or use by, any person or entity in any jurisdiction where (a) the distribution or use of such information would be contrary to law or regulations, or (b) BNP Paribas or a BNP Paribas affiliate would become subject to new or additional legal or regulatory requirements. Persons in possession of this document should inform themselves about possible legal restrictions and observe them accordingly.

This document is intended for, and is directed at, (a) Professional Clients and Eligible Counterparties as defined by the European Union Markets in Financial Instruments Directive (“MiFID”), and (b) where relevant, persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, and at other persons to whom it may lawfully be communicated (together “Relevant Persons”). Any investment or investment activity to which this document relates is available only to and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or its content.

This document is being communicated by BNP Paribas, a Limited Liability company incorporated in France. Registered Office: 16 boulevard des Italiens, 75009 Paris, France. 662 042 449 RCS Paris. BNP Paribas is lead supervised by the European Central Bank (ECB) and the French Autorité de Contrôle Prudentiel et de Résolution (ACPR).. © BNP Paribas. All rights reserved.

For funds authorized for marketing in Switzerland or from Switzerland, prospectuses, key investor information documents, articles of association, annual or semi-annual reports can be obtained free of charge from the representative agent in Switzerland, BNP Paribas (Suisse) SA, 2, place de Hollande, CH-1204 Genève; Payment Agency services are provided by BNP Paribas Securities Services, Paris, Zurich branch, 16, Selnaustrasse, 8002 Zurich, Switzerland.

All information referred to in the present document is available <https://theamquant.bnpparibas-am.com/>.